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TANF AND CHILD WELFARE PROGRAMS

Increased Data Sharing Could Improve Access to Benefits and Services

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Why GAO Did This Study

In 2010, over 40 percent of families receiving cash assistance through the Temporary Assistance for Needy Families (TANF) program were “child-only,” meaning the adults in the household were not included in the benefit calculation, and aid was provided only for the children. TANF and child welfare programs provide cash assistance and other services that support children living with nonparent caregivers. The U.S. Department of Health and Human Services (HHS) Administration for Children and Families (ACF) oversees TANF and child welfare programs, which are administered by states. GAO was asked to examine the (1) trends and composition of the child-only caseload, (2) characteristics of caregivers and children in nonparent child-only cases, (3) factors influencing the level of benefits and services for children with non-parent caregivers, and (4) coordination efforts between state TANF and child welfare programs. GAO analyzed federal TANF and child welfare data; surveyed states; interviewed HHS officials and researchers; and conducted site visits in Tennessee, Texas, and Washington, selected for variation in TANF caseload characteristics and implementation of programs to support relative caregivers.

What GAO Recommends

GAO recommends the Secretary of HHS direct ACF to provide more guidance on data sharing opportunities. HHS agreed with GAO’s recommendation.

TANF AND CHILD WELFARE PROGRAMS

Increased Data Sharing Could Improve Access to Benefits and Services

What GAO Found

Between fiscal years 2000 and 2008, TANF child-only cases increased slightly but represented a greater share of the overall TANF caseload because cases with adults in the assistance unit experienced a significant decline. The national composition of the TANF child-only caseload has remained relatively unchanged since 2000. At the end of 2010, the majority of children receiving TANF lived with parents who were ineligible for cash assistance, and one-third lived with nonparent caregivers who were relatives or unrelated adults. However, this composition varies by state. For example, in Tennessee, almost 60 percent of the TANF child-only caseload included children living with nonparent caregivers, compared with about 30 percent in Texas.

Most nonparent caregivers in TANF child-only cases are unmarried women who are over 50 years old, and research suggests that they often have low incomes and health problems. The children tend to be related to their caregiver, who is often a grandparent, and they remain on assistance for at least 2 years. Some of these children live with nonparent caregivers as a result of parental abuse or neglect, substance abuse, incarceration, or mental illness, but these circumstances may or may not be known by the child welfare agency.

The level of benefits and services available to children living with nonparents depends on the extent to which a child welfare agency becomes involved in the family’s situation and the licensing status of the caregiver. Children in foster care with licensed foster parents are generally eligible for greater benefits and services than children in other living arrangements, who may receive TANF child-only assistance. For one child, the national average minimum monthly foster care payment is \$511 while the average TANF child-only payment is \$249. Most children live with relatives who do not receive foster care payments because they are not licensed foster parents or they are in informal arrangements without child welfare involvement. Other factors influencing the assistance made available to children in a relative’s care include available federal funding, state budget constraints, and increased state efforts to identify relative caregivers to prevent children from being placed in the foster care system.

Several state and local efforts are under way to coordinate TANF and child welfare services to better serve children living with relative caregivers, but information sharing is a challenge. Coordination efforts include colocating TANF and child welfare services and having staff from each agency work together to help relative caregivers access services. ACF currently provides grants to states and tribes to support collaboration between TANF and child welfare programs and plans to disseminate the findings. However, information and data sharing between the two programs does not occur consistently, which can hinder relatives’ access to available benefits. For example, although HHS provides funding, guidance, and technical assistance to promote data sharing between TANF and child welfare programs, more than half of states reported obstacles to sharing data, such as privacy concerns.

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Abbreviations

ACF	Administration for Children and Families
AFCARS	Adoption and Foster Care Analysis and Reporting System
AFDC	Aid to Families with Dependent Children
CPS	Child Protective Services
GAP	Guardianship Assistance Program
HHS	Department of Health and Human Services
MOE	maintenance of effort
PRWORA	Personal Responsibility and Work Opportunity Reconciliation Act of 1996
SACWIS	Statewide Automated Child Welfare Information Systems
SNAP	Supplemental Nutrition Assistance Program
SSI	Supplemental Security Income
TANF	Temporary Assistance for Needy Families

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G A O

Accountability * Integrity * Reliability

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Congressional Requesters

The Temporary Assistance for Needy Families (TANF) program provides cash assistance and other services to low-income families. Over 40 percent of families receiving TANF cash assistance in 2010 were “child-only” cases, meaning the adults in the family receive the cash benefit on behalf of the child, but the needs of the adults are not included in the calculation of the cash benefit. These cases occur when either the children’s parents are ineligible for benefits, for example if they are ineligible due to their immigration status, or the child is living with a nonparent caregiver, who is either a relative or unrelated adult acting in place of a parent. Children come into the care of nonparent caregivers for a variety of reasons, including when the parents are absent due to military deployment or incarceration, are incapacitated due to substance abuse or mental illness, or have been determined to be abusive. One of the purposes of TANF is to provide assistance to needy families so that children may be cared for in their own homes or the homes of relatives. Child welfare agencies also aim to keep families together, but when children must be removed from the home due to abuse or neglect by their parents, these programs provide financial assistance and services to support children who live with nonparent caregivers.

The U.S. Department of Health and Human Services (HHS) oversees TANF and child welfare programs and states are responsible for administering these programs. States have broad discretion in how they design TANF and child welfare programs, which includes setting available benefits and services. Although some of the same families may be served by these programs, they are often administered by different state agencies and involve different staff and information systems. The extent to which these programs are coordinated or state agencies share information is unclear. To address these issues and inform the expected reauthorization of the TANF program, we examined the: (1) trends in the TANF child-only caseload and composition of these cases, (2) general characteristics of the caregivers and children in TANF child-only cases where a child is living with a nonparent caregiver, (3) factors influencing the level of benefits and services children living with nonparent caregivers receive, and (4) coordination efforts between state TANF and child welfare programs.

In addition, this report provides information in appendix IV on how states have implemented the federal guardianship assistance option and what is known about how it has affected TANF child-only caseloads.

To answer our research questions, we collected data through several methods. To gather national level information about how the TANF child-only caseload has changed over time, and the characteristics of nonparent caregiver cases, we analyzed HHS's TANF data for fiscal years 2000 through 2008. To collect information about TANF child-only policies, the current TANF child-only caseload, financial assistance and services available to children in these cases, and coordination between TANF and child welfare programs, we conducted a Web-based survey of state TANF administrators in all 50 states and the District of Columbia. We also conducted a survey of state child welfare administrators in all 50 states and the District of Columbia to gather information on the financial assistance and services available to children in foster care, the extent to which relatives are licensed as foster parents, and coordination efforts between TANF and child welfare programs. We administered the surveys between March and June 2011. While we did not validate specific information that administrators reported through our surveys, we reviewed their responses and followed up, as necessary, to determine that their responses were complete, reasonable, and sufficiently reliable for the purposes of this report. All state TANF and child welfare administrators responded to the surveys. To collect more detailed information from state and local offices, we conducted site visits in three states (Tennessee, Texas, and Washington). Our site visit states were selected because of their variation in TANF caseload characteristics and programs to assist relative caregivers. Within each state, we interviewed state TANF and child welfare administrators, as well as TANF and child welfare staff from two to three local offices serving urban and rural areas. We cannot generalize our findings from the site visits beyond the states and local offices we visited. We also interviewed HHS officials and researchers knowledgeable about TANF and child welfare programs and reviewed relevant federal laws and regulations. We conducted this performance audit from October 2010 to October 2011 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. See appendix I for additional information on our scope and methodology.

Background

TANF Program Funding and Goals

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA)¹ significantly changed federal welfare policy for low-income families with children, from a program that entitled eligible families to monthly cash payments to a capped block grant that emphasizes employment and work supports for most adult recipients. As part of PRWORA, Congress created the TANF program,² through which HHS provides states about \$16.5 billion each year in block grant funds to implement the program. To receive its TANF block grant, each state must also spend at least a specified level of its own funds, which is referred to as state maintenance of effort (MOE).³

TANF is a flexible funding stream that states can use to provide cash assistance and a wide range of services that further the program's four goals, including assisting needy families so that children can be cared for in their own homes or in the homes of relatives. In 2009, states spent about 30 percent of their TANF funds on cash assistance for needy families, and the remaining funds were spent on other purposes, such as child care, employment programs, and child welfare services.⁴

Determining Eligibility for TANF Cash Assistance and Benefit Levels

Although the specific eligibility requirements vary by state, to qualify for TANF cash assistance, families must pass both nonfinancial tests based on the demographic characteristics of the family, and financial tests based on the income and asset holdings available to the family. The TANF program gives states the flexibility to develop their own definition of an eligible family. While some states allow unrelated caregivers acting in

¹Pub. L. No. 104-193, 110 Stat. 2105. TANF replaced the Aid to Families with Dependent Children (AFDC) program. *Id.* § 103(a)(1), 110 Stat. 2105, 2112.

²*Id.*

³42 U.S.C. § 609(a)(7). To meet the MOE requirement, each state must generally spend 75 or 80 percent of what it spent in fiscal year 1994 on welfare-related programs, including: AFDC, Job Opportunities and Basic Skills Training, Emergency Assistance, and AFDC-related child care programs.

⁴States may use TANF funds to support a variety of child welfare services, such as screening for child abuse and neglect, case management activities, and cash assistance and services for relative caregivers.

place of a parent to apply for TANF benefits, other states limit benefits to relative caregivers and parents, according to information contained in the Urban Institute's Welfare Rules Database.⁵

Each state sets its own TANF benefit levels, and the amount a family receives depends in part on who is in the assistance unit. An assistance unit is a group of people living together, often related by blood or some other legal relationship. States can exclude adults from the assistance unit but still allow the children to receive some assistance. In these child-only cases, the adults in the family are excluded from the assistance unit and are not considered when calculating the benefit amount. There are four main types of family circumstances that result in child-only cases:

- *SSI parents.* A parent is receiving Supplemental Security Income (SSI) and is receiving TANF child-only payments on behalf of their children.⁶
- *Immigrant parents.* A family is headed by an immigrant parent who is not eligible for TANF. These parents could include illegal immigrants, as well as certain recent legal immigrants who are ineligible for TANF.⁷ Ineligible immigrants can receive TANF for their children, provided the children are U.S. citizens.
- *Sanctioned or disqualified parents.* The parent has not complied with TANF program requirements, such as work requirements, and has been denied benefits, but the state allows the children to continue receiving benefits. States must also disqualify adults from receiving TANF benefits for other reasons, such as if they are fleeing to avoid a felony conviction, violating a condition of probation or parole, or in certain circumstances, fraudulently receiving TANF assistance.
- *Nonparent caregivers.* A child is living with a family headed by a nonparent caregiver, often a relative who receives cash assistance on

⁵This database provides information from 1996-2009 about states' TANF cash assistance programs, including the policies and rules governing their programs. We did not conduct any legal analysis of state laws, requirements, rules, or policies.

⁶The SSI program allows a person to get both SSI and TANF payments, but TANF is considered income for SSI purposes.

⁷Under PRWORA, legal immigrants who entered the country after August 1996 must be in the United States for five years to be eligible for TANF. 8 U.S.C. § 1612(b).

a child's behalf. According to HHS, nonparent caregivers may not be legally obligated to support these children, and states can provide child-only grants to any relative caring for a child, regardless of the relative's income, provided that the relative meets the state's TANF definition of a relative caretaker.⁸ If the nonparent caregiver chooses to have their income and resources considered in order to receive a higher level of assistance, the caregiver may be subject to work requirements and time limits.

Families receiving cash assistance with adults in the assistance unit are subject to federal time limits⁹ and work requirements.¹⁰ PRWORA established a 60-month time limit for families with an adult receiving aid; however, states have the option to use federal funds to extend assistance beyond the federal time limit for hardship reasons the state has defined.¹¹ PRWORA also requires adults to engage in work activities after 2 years of assistance, or sooner, if the state determines the recipient is ready. TANF child-only cases are typically not subject to these requirements.

Child Welfare Program Administration and Federal Funding

Child welfare programs provide services to protect children from abuse and neglect, to help parents care for their children successfully, and to provide support to children who cannot safely live with their parents. HHS' Children's Bureau oversees federal funding to states for child welfare programs, and states administer these programs. The principal federal funding sources for child welfare are through Titles IV-E and IV-B of the

⁸Of the 49 states responding to this question in our TANF survey, 45 states reported that the income of nonparent caregivers is not considered when determining eligibility for child-only benefits. The income of nonparent caregivers is considered in Arizona, Nevada, and Oregon, and 1 state did not know.

⁹42 U.S.C. § 608(a)(7).

¹⁰42 U.S.C. § 607.

¹¹A state may only use federal funds to extend assistance beyond the 60-month time limit for up to 20 percent of its caseload.

Social Security Act,¹² although child welfare services are also supported by nondedicated federal funding sources, including TANF. In fiscal year 2011, about \$6.5 billion was available under IV-E, and about \$757 million was made available to states under IV-B, according to HHS budget documents.

Child welfare agencies typically become involved in family situations after receiving reports of child abuse and neglect. Child welfare staff screen and investigate reports of child maltreatment and make recommendations about whether a child can remain safely at home. When abuse or neglect is identified, the agency may provide services designed to improve the situation and avoid removing children from their homes. If such services cannot ensure a child's safety in their home, the agency may work with the family to determine another living arrangement for the child or petition a court to place the child in foster care.

When children are taken into foster care, the state child welfare agency becomes responsible for determining where the child should live and providing the child with support. The agency may place the foster child in the home of a relative or with unrelated foster parents.¹³ States receiving Title IV-E foster care funding must make foster care payments on behalf of eligible children whose foster care placements have been licensed or approved. Under the act, states are responsible for establishing standards for foster family homes and child care institutions that protect

¹²42 U.S.C. § 670 et seq. and 42 U.S.C. § 620 et seq., respectively. Under Title IV-E of the Social Security Act, funds are available to states for the maintenance (food, shelter, incidentals, etc.) of all foster children meeting certain income and other criteria. Title IV-E also provides payments to relatives who become legal guardians of foster children and payments to adoptive parents of eligible foster children with special needs, such as health problems, that may make adoptive homes more difficult to find. Title IV-E foster care, guardianship, and adoption assistance payments are authorized as open-ended entitlements, meaning states may claim federal reimbursement for a specified amount of the costs for every eligible child. Title IV-B provides limited or "capped" funding for child welfare services to foster children, as well as children remaining in their homes. States are required to coordinate services provided under IV-B with aid provided under IV-E and TANF.

¹³Children in foster care may also be placed in other settings, such as group homes or residential facilities, but the least restrictive setting is preferred under federal law. Title IV-E directs states to consider giving priority to relatives when deciding with whom to place children while they are in foster care. In addition, in order to receive funding under Title IV-E, states must agree to identify and provide notice to adult relatives of the child's removal from parent custody. States are also required to notify relatives about their options to participate in the care of the child, become a foster parent, and receive services.

the safety of children. Foster parent licensing requirements vary by state and may include training, background checks, and home inspections, according to a HHS report.¹⁴ States must provide foster care payments on behalf of each child who meets certain requirements to cover the cost of providing food, clothing, shelter, daily supervision, and other expenses, but are given flexibility in determining the payment amount.¹⁵ The agency must also assess the needs of the children and arrange for needed services. States must ensure that caseworkers develop a case plan for each child receiving foster care payments to assure that services are provided, and caseworkers must visit with the children periodically. Foster care is intended to be a temporary living arrangement until children can be returned safely to their parents or placed in some other permanent living arrangement, such as guardianship or adoption by a nonparent caregiver.¹⁶

HHS' Administration on Aging

HHS' Administration on Aging oversees a separate program that provides support to nonparent caregivers. The National Family Caregiver Support Program, established in 2000, provides grants to states to fund a range of supports that assist caregivers. In fiscal year 2010, the National Family Caregiver Support Program was allocated about \$153 million. State agencies can use up to 10 percent of their funding to provide support services to grandparent caregivers or caregivers age 55 and older who are raising children of relatives. The Administration on Aging funds these

¹⁴U.S. Department of Health and Human Services, Administration for Children and Families, *Kinship Caregivers and the Child Welfare System* (Washington, D.C.: March 2005).

¹⁵States can be reimbursed for a portion of the costs of providing foster care payments to support children meeting specific eligibility criteria. To be IV-E-eligible, many criteria must be met including the following: (1) the child must meet eligibility criteria for the AFDC program (including income and resources requirements) that were in effect in 1996, (2) the caregiver must be licensed or approved by the state, (3) the child must be in the placement and care responsibility of the agency, (4) the state must generally make reasonable efforts to keep the child at home, and (5) the state must generally make reasonable efforts to reunify the child with his or her parents. In 2009, about 40 percent of foster children received federally supported foster care payments. The federal reimbursement for foster care payments is equal to each states' Federal Medical Assistance Percentage match rate (match rate used for Medicaid), of the state's foster care maintenance payments expended. 42 U.S.C. § 674(a)(1); 42 U.S.C. § 1396d(b).

¹⁶Adoption and guardianship are considered permanent placements for children in temporary foster care. Both options involve the nonparent caregiver assuming legal custody of the child.

activities primarily through grants to each state's agency on aging. States must fund five types of services under this program: information to caregivers about available services; assistance to caregivers in gaining access to the services; individual counseling, organization of support groups, and caregiver training in the areas of health, nutrition, and financial literacy; respite care; and supplemental services on a limited basis.

TANF Child-Only Cases Have Increased Slightly, and the Composition of the Caseload Varies by State

The TANF child-only caseload increased slightly between fiscal years 2000 and 2008, but comprised a greater share of the overall TANF caseload because TANF cases with adults in the assistance unit decreased substantially. During this time period, the number of TANF child-only cases increased from about 772,000 cases to approximately 815,000 cases, but the number of families with adults receiving assistance decreased by about 700,000 cases from about 1.5 million to about 800,000 cases.¹⁷ As a result, the share of child-only cases in the overall TANF caseload increased from about 35 percent to about half (see fig. 1). We previously reported that changes states made to their welfare programs as they implemented TANF, including work requirements, time limits,¹⁸ sanctions, and diversion policies, contributed to a significant decline in program participation.¹⁹ TANF cases also declined in part because during the 1990s when the economy was

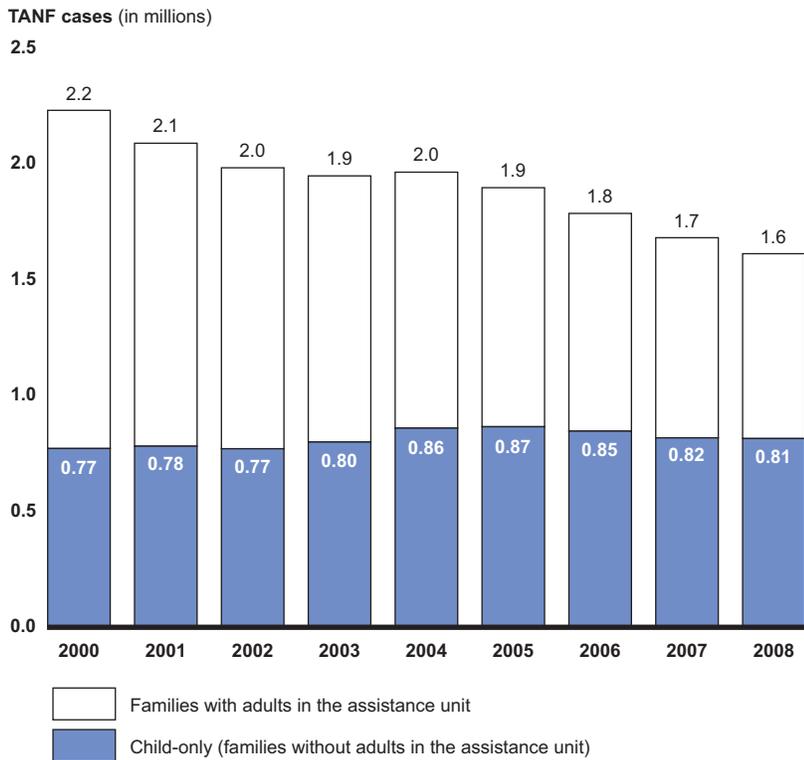
¹⁷The 95 percent confidence interval for the estimate of 772,000 cases is 731,702 to 812,751; for 815,000 cases, 779,313 to 850,642; for 1.5 million cases, 1,419,993 to 1,500,752; and for 800,000 cases, 762,391 to 833,719.

¹⁸HHS has indicated that under the TANF statute, once a TANF case that includes an adult in the assistance unit has received 60 months of federally funded assistance, the state may not use federal TANF funds to continue providing assistance to members of the assistance unit (subject to allowable exceptions for up to 20 percent of a state's caseload). However, the federal time limit does not apply to state-funded assistance. Our survey results indicate that, in 35 states, benefits for all family members are terminated when cases with adults in the assistance unit reach a time limit. However, states may choose to use their MOE funds to continue benefits when a family reaches its time limit. Officials from 2 states (California and Louisiana) reported that only the adult benefits are terminated, and the children can continue receiving benefits as a child-only case. Four states (Maine, Maryland, Michigan, New York) said no benefits would be terminated, and 9 states had other responses. For example, some states said the adults may be given an extension if they met the state's hardship criteria.

¹⁹See GAO, *Temporary Assistance for Needy Families: Fewer Eligible Families Have Received Cash Assistance Since the 1990s, and the Recession's Impact on Caseloads Varies by State*, [GAO-10-164](#) (Washington, D.C.: Feb. 23, 2010).

stronger, incomes increased, and fewer families were eligible for TANF. Our past work and survey results indicated that one of the reasons child-only cases may not have declined as much as cases with adults in the assistance unit is because these cases are not subject to time limits in most states and recipients may receive assistance for a longer time period.²⁰

Figure 1: Number of TANF Cases and Number of TANF Child-Only Cases (FY 2000-2008)



Source: GAO analysis of HHS TANF administrative data.

Note: These data are national estimates produced from our analysis of HHS' TANF data and are subject to sampling error. See appendix I for the 95 percent confidence intervals associated with these estimates.

²⁰Based on state responses to our TANF survey, child-only cases are subject to time limits in Arizona, Connecticut, North Dakota, and Tennessee.

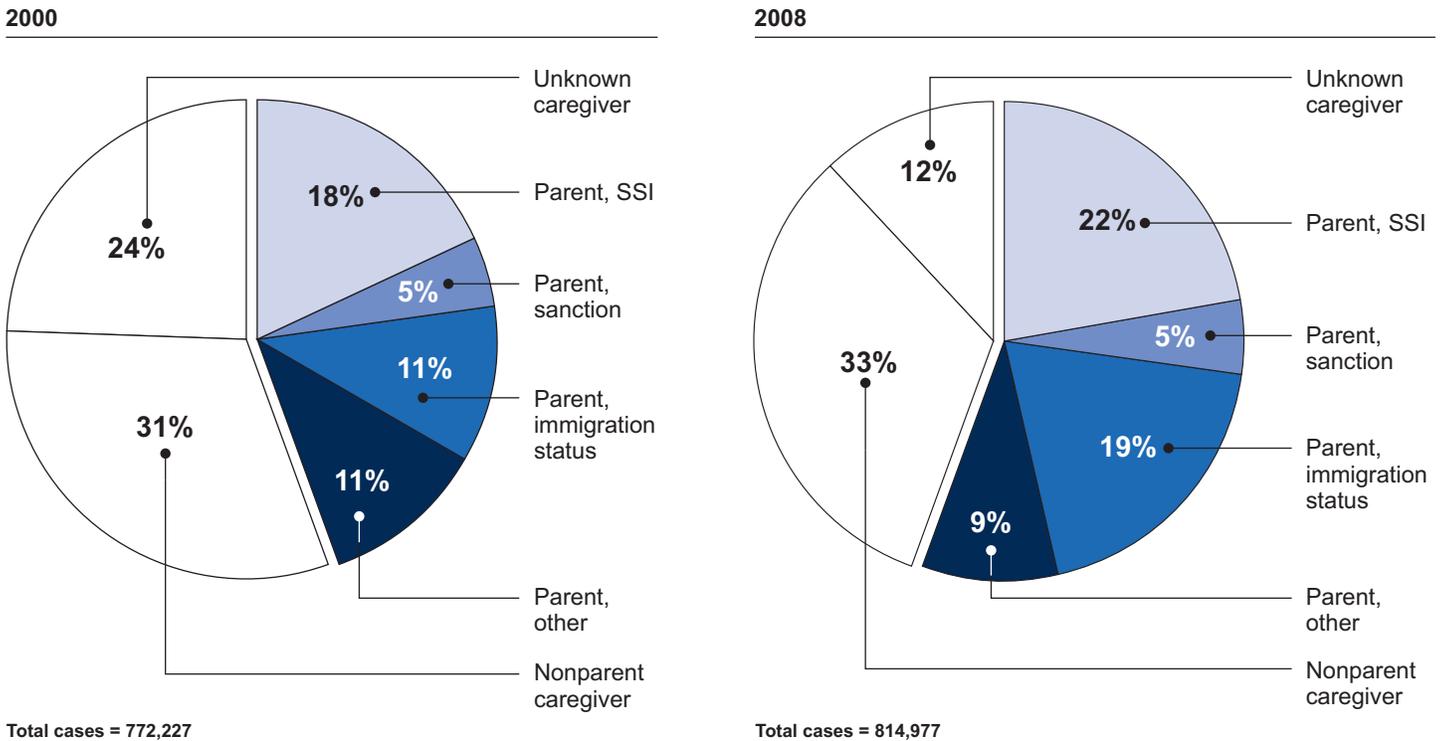
Between fiscal years 2000 and 2008, increases in two of the categories were statistically significant: children living with parents who were ineligible because they receive SSI benefits and children living with parents who were ineligible because of their immigration status. Cases in which the parents were ineligible due to immigration status almost doubled and increased from 11 percent of the TANF child-only caseload in fiscal year 2000 to 19 percent in fiscal year 2008 (see fig. 2). This increase of 8 percentage points is statistically significant and represents an increase from about 83,000 cases in fiscal year 2000 to over 155,000 cases in fiscal year 2008, with the greatest increase occurring in California.²¹ Specifically, TANF child-only cases headed by ineligible immigrants in California more than doubled, from about 46,000 to almost 93,000.²² This increase accounts for 64 percent of the estimated total increase in these cases nationwide.

Over this same time period, the number of cases in the “unknown caregiver” category—where the relationship between the child and caregiver is unclear—decreased significantly and it is possible that some of the increase in child-only cases with ineligible parents due to SSI receipt or immigration status resulted from better identification of previously unknown caregivers. Given available data, we were unable to determine how much of the increase was due to better reporting versus an actual increase in the number of cases.

²¹The 95 percent confidence interval for the estimate of 83,000 cases is 61,064 to 105,358 and for 155,000 cases, 127,595 to 183,880.

²²The 95 percent confidence interval for the estimate of 46,000 cases is 26,176 to 65,157 and for 93,000 cases, 65,601 to 119,870.

Figure 2: Change in the Number of Child-Only Cases by Type of Case (FY 2000-2008)



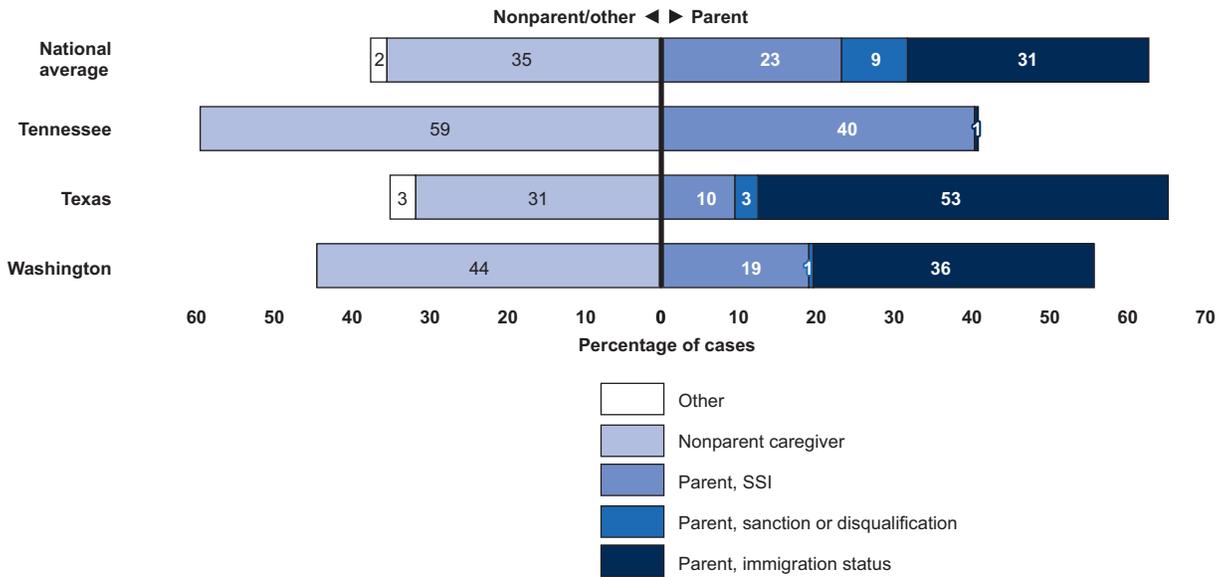
Source: GAO analysis of HHS TANF administrative data.

Notes: The unknown caregiver category refers to cases where it is not clear what type of relationship the child has with the adult(s) living in the family. For example, in some cases, no family affiliation information is reported.

These data are national estimates produced from our analysis of HHS' TANF data and are subject to sampling error. See appendix I for the 95 percent confidence intervals associated with these estimates.

Through our TANF survey, officials from 40 states indicated that the composition of their TANF child-only caseload, as of December 2010, was similar to the composition in 2008. The majority of families who received TANF child-only assistance included children living with parents who were ineligible for cash assistance, and about one-third included children living with nonparent caregivers. However, the composition of the TANF child-only caseload varies by state. For example, as reported through our survey, almost 60 percent of TANF child-only cases in Tennessee included children living with nonparent caregivers, compared with 31 percent in Texas. In addition, cases that are child-only because the parent receives SSI comprise 40 percent of the TANF child-only caseload in Tennessee compared with 10 percent in Texas (see fig. 3).

Figure 3: Composition of TANF Child-Only Caseload in Site Visit States (reported by 40 states, as of Dec. 31, 2010)



Source: GAO analysis of GAO survey data.

Note: Out of the 50 states and D.C. that submitted responses to the GAO survey, 49 reported the total number of TANF cases and TANF child-only cases, and 40 states reported numbers for the different types of TANF child-only cases. For more information on each state's total child-only caseloads, see appendix II.

Some of the variation in the composition of TANF child-only cases can be attributed to differences in state demographics and state TANF policies. For example, parents who were ineligible for TANF due to their immigration status account for a greater portion of the TANF child-only caseload in states with relatively large immigrant populations, such as California and Texas. Our survey found that for the 40 states that reported data, about one-third of the TANF child-only caseload is comprised of families in which the parents are ineligible due to their immigration status compared to more than half of the caseloads in California and Texas. Another variation among states is how they determine TANF eligibility for children living with nonparent caregivers. States with less restrictive eligibility rules may have larger numbers of nonparent caregiver cases. For example, Washington, which has a relatively high percentage of nonparent cases, allows unrelated caregivers, such as a friend or neighbor, to apply for TANF child-only assistance after undergoing a home study and background check, according to information provided by state officials. Other states, such as Texas, reported that they limit eligibility for TANF child-only assistance to nonparent caregivers related to the child by blood, marriage, or adoption.

Most Nonparent Caregivers Are Women, and Some Children Have Experienced Abuse or Neglect

Nonparent caregivers in TANF child-only cases tend to be unmarried women over 50 years old (see table 1). African-Americans are overrepresented in these cases, making up 39 percent of the nonparent caregivers but representing approximately 13 percent of the general U.S. population.²³

Table 1: Characteristics of Head of Household Nonparent Caregivers in TANF Child-Only Cases with Nonparents

Characteristic	Percentage	
Gender	Female	91
	Male	9
Age of caregiver	Under 30 years old	8
	31-40 years old	12
	41-50 years old	27
	51-60 years old	32
	Over 60 years old	22
Race/ethnicity	White/non-Hispanic	40
	African American/non-Hispanic	39
	Hispanic	14
	Other/ multiracial	4
	Unknown	3
Marital status	Single, never married, divorced, or separated	65
	Married	29
	Widowed	6
Education	Less than high school degree	24
	High school degree	38
	Associates degree, bachelors degree, or other	4
	No formal education	8
	Unknown	27

Source: GAO analysis of HHS TANF administrative data (FY 2008).

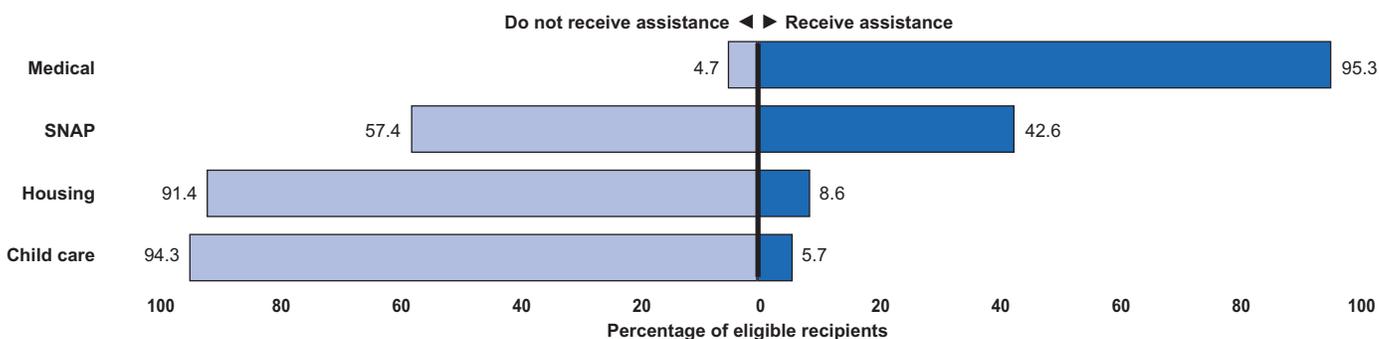
Note: These data are national estimates produced from our analysis of HHS' TANF data and are subject to sampling error. See appendix I for the 95 percent confidence intervals associated with these estimates.

Research suggests that many relative caregivers receiving cash assistance have low incomes and health problems. A study analyzing national survey data found that an estimated 55 percent of families in which a child was living in an informal arrangement with a nonparent caregiver receiving cash assistance had income levels below the federal

²³The 95 percent confidence interval for the estimate of 13 percent is 13.208 percent to 13.242 percent. The source for this estimate is the 2008 American Community Survey.

poverty level.²⁴ The same study found that an estimated 63 percent of these caregivers were unemployed, and an estimated 43 percent of them were in fair or poor health.²⁵ According to our analysis of HHS' TANF administrative data, TANF child-only families with nonparent caregivers often receive other types of public assistance. For example, over 90 percent receive Medicaid, and over 40 percent receive Supplemental Nutrition Assistance Program (SNAP) benefits (see fig. 4).

Figure 4: Assistance Received by TANF Child-Only Families with Head of Household Nonparent Caregivers



Source: GAO analysis of HHS TANF administrative data (FY 2008).

Note: These data are national estimates produced from our analysis of HHS' TANF data and are subject to sampling error. See appendix I for the 95 percent confidence intervals associated with these estimates. The Food Stamp Program was renamed the Supplemental Nutrition Assistance Program in 2008.

Children who live with nonparents and receive TANF child-only assistance tend to be over 10 years old, related to their nonparent caregiver, and on assistance for at least 2 years (see table 2). More than three-quarters of children are over age 5, and about half of the children are at least 11 years old. A small percentage of children in child-only

²⁴Michelle Sheran and Christopher A. Swann, "The Take Up of Cash Assistance Among Private Kinship Families," *Children and Youth Services Review*: 29 (May 3, 2007) 973-987. This study is based on the National Survey of America's Families conducted in 1997, 1999 and 2002 by the Urban Institute. It measured the use of all types of cash assistance, not specifically TANF. This study uses the term private kinship care to describe an informal living arrangement, one in which the child has no involvement with the child welfare agency. The 95 percent confidence interval for the estimate of 55 percent is 40 to 70.

²⁵The 95 percent confidence interval for the estimate of 63 percent is 49 to 78 and for 43 percent, 28 to 57.

cases are 18 years old or older.²⁶ Almost all children are related to their nonparent caregiver, and most often the child is the caregiver’s grandchild. Like the nonparent caregivers, African-American children are overrepresented, making up 40 percent of the children in these cases but approximately 16 percent of the child population in the United States.²⁷

Table 2: Characteristics of Children in TANF Child-Only Cases with Head of Household Nonparent Caregivers

Characteristic	Percentage	
Gender	Female	51
	Male	49
Age of children	Less than 1 year old	2
	1-5 years old	23
	6-10 years old	29
	11- 17 years old	44
	18 years or older	2
Race/ethnicity	White/non-Hispanic	36
	African American/non-Hispanic	41
	Hispanic	17
	Other/ multiracial	5
	Unknown	1
Length of time on assistance	Less than 1 year	25
	1-2 years	16
	2-5 years	30
	5+ years	29
Relationship to caregiver ^a	Grandchild or great grandchild	63
	Other related person	24
	Unrelated child	3
	Unknown	10

Source: GAO analysis of HHS TANF administrative data (FY 2008).

Note: These data are national estimates produced from our analysis of HHS’ TANF data and are subject to sampling error. See appendix I for the 95 percent confidence intervals associated with these estimates.

^aHHS’s TANF administrative data include a variable that allows states to indicate whether the caregiver is taking care of a foster child. However, we determined this information was unreliable after reviewing HHS documentation and comparing the TANF data to HHS’ data on children in foster care and information we collected during our site visits. For more detail on our analysis of HHS data, see appendix I.

²⁶Federal law allows any minor child—which it defines as any individual who is not yet 18, or is not yet 19 and is attending an elementary, middle, or high school—to be eligible for TANF benefits if they meet eligibility criteria.

²⁷The 95 percent confidence interval for the estimate of 16 percent is 16.35 percent to 16.43 percent.

Some children living with nonparents who receive TANF child-only assistance live with nonparent caregivers as a result of parental abuse or neglect, but the extent to which these children have had involvement with the state's child welfare agency is unclear because few states collect this information. In our survey, 6 states reported that between 10 percent and 73 percent of children in TANF child-only cases had been the subject of a Child Protective Services (CPS) investigation, and 6 states reported that between 0 percent and 10 percent had been in state custody. During our site visits, officials from Washington provided us with data showing that about 12 percent of their TANF child-only cases with nonparent caregivers included children who had CPS involvement. Officials from Texas provided us with data showing that one-third of their TANF child-only cases with nonparent caregivers included children who were in state custody.

Child Welfare Involvement and Funding Availability Influence Benefit Levels and Services for Children Living with Nonparents

Benefits and Services Available to Children Living with Nonparents Depend on Child Welfare Involvement and Licensing Status of Caregiver

A child's circumstances, level of child welfare agency involvement, and licensing status of the caregiver influence whether a child is eligible for a foster care payment or a TANF child-only payment (see fig. 5). In some cases, a child may be living with a nonparent caregiver in an informal arrangement made by the parents, and other family members, and a child welfare agency may not be involved because either the child has not experienced abuse or neglect or the maltreatment was not reported to the agency. In other cases, the child welfare agency may be involved after receiving a report of child abuse or neglect; however, instead of taking legal custody of the child the agency helps the parent voluntarily place the

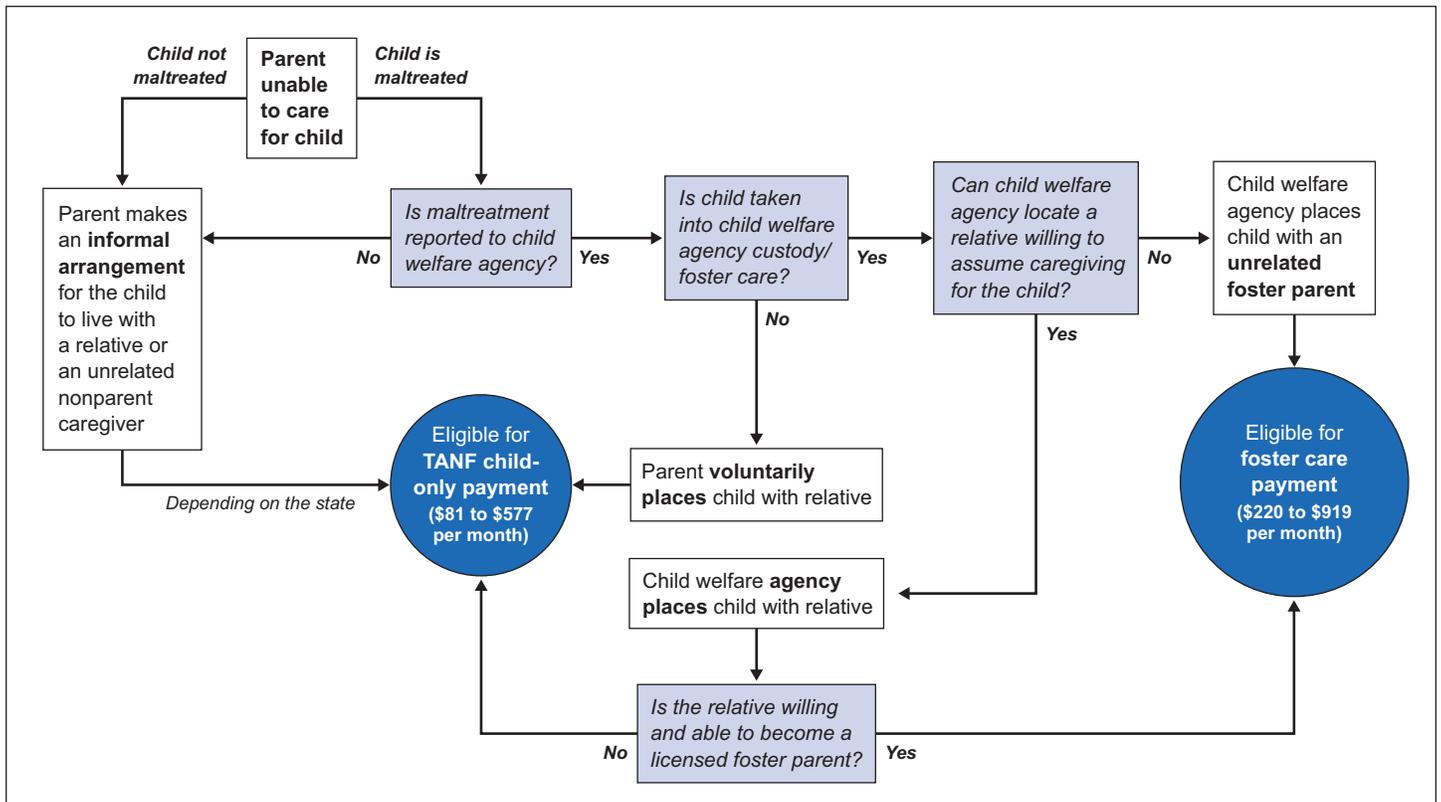
child with a relative caregiver.²⁸ When determining whether to seek custody of a child, child welfare agencies generally consider factors such as the circumstances of the maltreatment, choices made by the parent, and the availability of a relative willing to intervene. Children living with relatives in informal arrangements or voluntary placements are typically eligible for TANF child-only payments provided the relatives meet their state's definition of a relative caregiver, according to a 2007 survey of state child welfare agencies.²⁹ This survey also found that relative caregivers of children taken into state custody may be compensated as foster parents if they meet the training and home requirements to be licensed.³⁰ Relative caregivers may still apply for TANF child-only payments if they cannot or choose not to meet licensing requirements.

²⁸Caregivers may be granted two types of custody over a child: legal custody and physical custody. Legal custody is the authority to make significant decisions on the child's behalf, while physical custody is the right to have the child live with the person awarded custody. Thus, a child could be under state legal custody, while being in a caregiver's physical custody.

²⁹Tiffany Allen, Kerry DeVooght, and Rob Geen, *State Kinship Care Policies for Children that Come to the Attention of Child Welfare Agencies: Findings from the 2007 Casey Kinship Foster Care Policy Survey*. (December 2008). This study was conducted by Child Trends and funded by Casey Family Programs and the Annie E. Casey Foundation.

³⁰Data reported in HHS' Adoption and Foster Care Analysis and Reporting System indicate there were 423,773 children in foster care on September 30, 2009. Twenty-four percent (101,688 children) were living with relatives (this includes licensed and unlicensed relative caregivers). The number of foster children living with relatives represents about 4 percent of the 2.46 million children the U.S. Census estimates were living with relatives in 2009.

Figure 5: Circumstances Influencing a Child’s Receipt of TANF Child-Only or Foster Care Payments



Source: GAO analysis of related studies and GAO survey results.

Note: Specific TANF eligibility requirements vary by state, and applicants may be required to comply with several requirements that are not listed in this figure in order to receive assistance. States must provide foster care payments to licensed caregivers of children in state custody who are IV-E eligible. When foster children are not eligible for Title IV-E funding, they may be eligible for TANF child-only benefits. In addition, some states may provide a foster care payment even if the relative caregivers are not fully licensed foster parents. Specifically, 11 states reported in our survey that having an unlicensed relative caregiver would not be a reason to deny a foster care payment for a child in state custody.

States are not federally prohibited from providing caregivers a foster care payment and a TANF payment for the same child, but the three states we visited did not allow caregivers to receive both payments to support the same child, according to state officials. Specifically, according to HHS officials, there is no programmatic prohibition in either the IV-E program or the TANF program against a caregiver receiving a foster care payment and a TANF payment for the same child, provided eligibility for both programs exists. A state must, however, ensure that it does not use federal TANF or state MOE funds to fulfill the IV-E matching requirement.

Tennessee Family First Kinship Program

This pilot program provides eligible relatives caring for children who were determined at risk of entering state custody an additional payment to supplement the TANF child-only payment. To be eligible for the additional payment, the relative caregiver must pass background checks and a home study and have an income below 200 percent of the federal poverty level.

Texas Relative Caregiver and Other Designated Caregiver Assistance Program

This program assists unlicensed relative and fictive kin caregivers who are caring for children in state custody and who meet income and other standards. Fictive kin caregivers are not related to the child but have a long-standing and significant relationship with the child or the child's family. The program provides a one-time \$1,000 payment per sibling group to integrate the child into the home and help the caregiver purchase items such as a bed, bedding, and clothing. Caregivers may also be reimbursed for child-related expenses up to \$500 per child per year while the child is in state custody. This program also provides reimbursement for child-related expenses up to \$500 per year for up to 3 years (or until the child is 18, whichever comes first) to caregivers who become legally responsible for the child through Permanent Managing Conservatorship.

Sources: Tennessee and Texas state officials.

Officials in the three states we visited reported that children may receive ongoing financial assistance from TANF and services from a state's child welfare program, but relative caregivers were not allowed to receive ongoing financial assistance to support the same child from both programs at the same time. For example, a child may receive services from a state's child welfare program but receive ongoing financial assistance through the TANF program because the child is living with a relative who is not a licensed foster parent.

Foster care and TANF payment amounts vary by state; however, the minimum monthly foster care payment exceeded the TANF child-only payment in almost all states, according to our survey results. For one child, the national average minimum monthly foster care payment is \$511 while the average TANF child-only payment is \$249 (see table 3). The amount of the foster care payment also depends on the child's age and any special needs in most states, according to our survey results, and licensed foster parents may receive payments higher than the minimum foster care payment. Gaps between the TANF child-only and foster care payments increase as caregivers take care of additional children because the TANF child-only payment may decrease with each individual child while the foster care payment does not, according to information collected in the states we visited. States may provide relative caregivers additional financial assistance to supplement the TANF child-only payment. For example, Texas and Tennessee provide supplements to the TANF child-only payment under certain circumstances.

Table 3: State Monthly Foster Care Payments and TANF Child-Only Payments in Site Visit States and Nationally

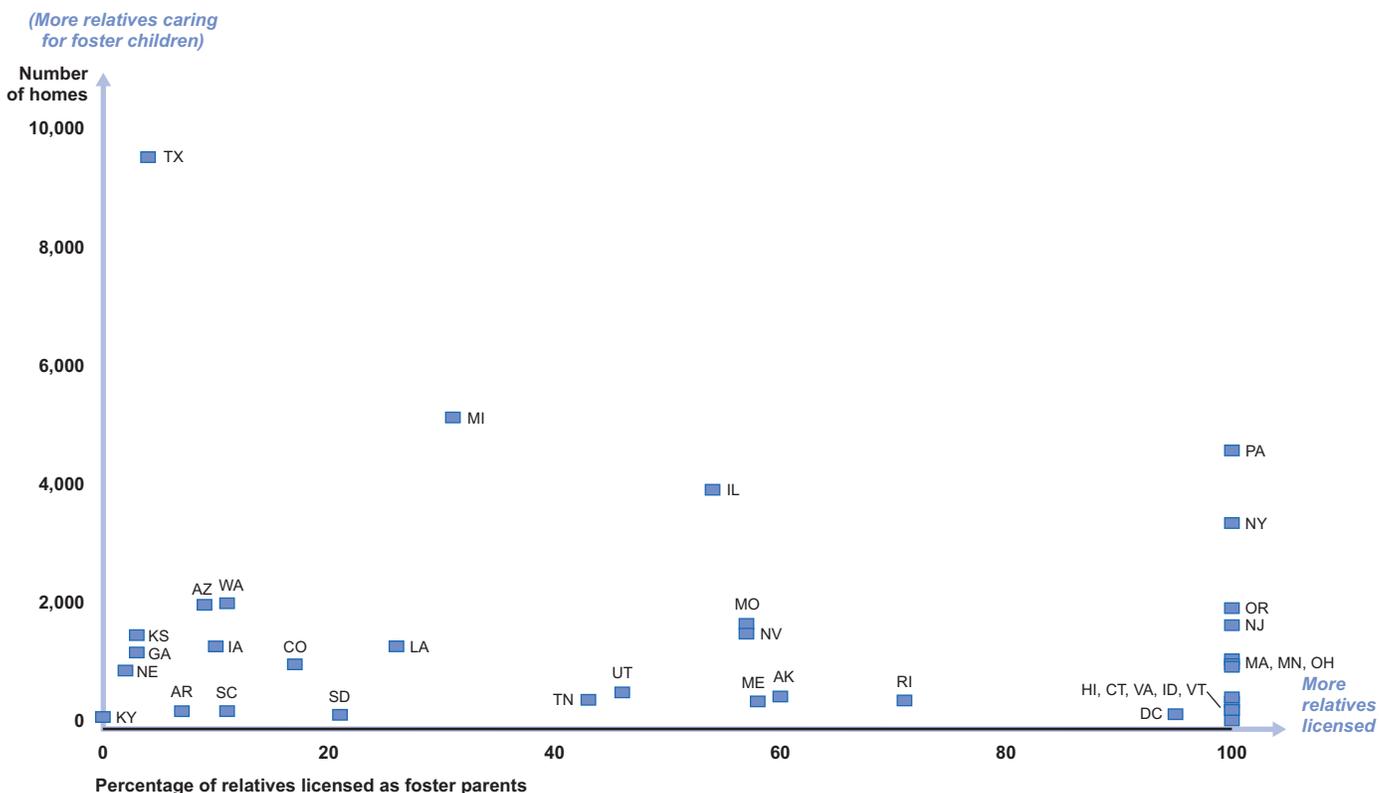
State	Minimum foster care payment per child	Total TANF child-only payment		
		1 child	2 children	3 children
Tennessee	\$697	\$140	\$192	\$232
Texas	\$674	\$89	\$128	\$179
Washington	\$423	\$305	\$385	\$478
Nationwide	\$220-919 (average \$511)	\$81-\$577 (average \$249)	\$128-\$719 (average \$344)	\$170-\$900 (average \$423)

Source: GAO child welfare and TANF surveys.

Note: For state-by-state information on TANF child-only and foster care payment rates, see appendix III.

Many children in state custody live with relatives who do not receive foster care payments because they are not licensed foster parents. Unlicensed relative caregivers of children in state custody are not eligible to receive foster care payments in 32 of the 43 states responding to this question in our child welfare survey.³¹ States reported licensing between 0 and 100 percent of relatives caring for children in state custody. Specifically, 12 states reported that all relatives caring for children in state custody were licensed while in 10 states, less than 15 percent of relatives were licensed. Figure 6 shows licensure rates reported by 34 states and the District of Columbia.

Figure 6: Percentage of Relative Homes That Are Licensed as Foster Parents by State



³¹Eleven states reported that having an unlicensed relative caregiver would not be a reason to deny a foster care payment for a child in state custody, and 8 states did not respond to this question on our child welfare survey.

States' efforts to inform relative caregivers of their options can affect whether the caregivers become licensed. State and local offices we visited reported using a number of different practices to inform relative caregivers of their options and encourage them to become licensed. For example, in Washington, child welfare officials said relatives are informed of the licensing process in letters sent directly by the caseworker and during family meetings facilitated by the child welfare agency. In Tennessee, a kinship coordinator is located in every local child welfare office to inform relative caregivers of their options, according to child welfare staff we interviewed. Child welfare workers we interviewed in Texas said that in the past they did not emphasize the option to become licensed, but they have recently begun a concerted effort to help relatives become licensed so that they can take advantage of the state's new subsidized guardianship program.³² These three states also reported making some non-safety-related changes to their licensing processes to help relatives become licensed, such as waiving physical space requirements in the home and reducing the amount of required training hours.

The ability and willingness of relatives to go through the licensing process also affects the extent to which states license relative caregivers. Some relative caregivers may not be able to meet the standards applied to prospective foster parents in their state. For example, relative caregivers or other adults living in the home may have been convicted of a drug-related offense that would preclude the caregiver from becoming licensed but would not prevent them from caring for the child as an unlicensed caregiver, according to some child welfare staff we interviewed during our site visits. In other cases, relatives may perceive the licensing process as too intrusive or burdensome, according to some child welfare staff we interviewed. During our site visits, TANF officials indicated that when relative caregivers apply for TANF child-only assistance, they are required to provide documentation verifying their relationship to the child and that the child resides with them without a parent present. Relative caregivers applying for TANF child-only assistance are not required to undergo a background check, home assessment, or have any ongoing interaction with caseworkers, according to TANF officials in the states we visited.

³²Texas adopted the federal Guardianship Assistance Program option, which provides federal support for states that provide assistance to relatives taking legal guardianship of eligible children who have been in foster care. See appendix IV for the status of state implementation of the Guardianship Assistance Program option.

Foster Parent Licensing Requirements in Texas

Persons who apply to be foster parents in Texas must participate in an information meeting, a home screening, and 12 hours of pre-service training.

The following information is documented in the home screening:

- age of applicant(s) (must be at least 21 yrs. of age) and all household members;
- educational level of each applicant;
- emotional stability of each applicant;
- history of marriages, divorces, deaths of former spouses, residences;
- financial status;
- background checks;
- health status of all persons living in the home;
- quality of applicant(s) relationships;
- applicant(s) feelings about their childhood, the foster child's history, child care, discipline, child abuse and separation/loss; and
- other general information.

The family file must include copies of:

- pictures/floor plan of the home;
- approved fire/health inspections;
- CPR/first aid cards;
- pet vaccinations;
- verification certificate;
- TB screening results for all household members over age 1;
- training certificates; and
- foster home agreement/rights and responsibilities.

Training

- Each applicant must participate in 12 hours of pre-service training.
- 20 hours of annual training per couple.
- 20 hours of annual training per single foster parent.

TANF Child-Only Requirements for Relative Caregivers in Texas

Examples of some of the documentation required:

- proof that the nonparent caregiver is related to the child. Caregivers must be related to the child by blood, marriage, or adoption; and
- proof that the nonparent caregiver lives with and is the primary caretaker of the child.

Applicants must be interviewed by a caseworker. If approved, TANF recipients agree to:

- cooperate with child support requirements;
- get medical screenings and all required immunizations for all children in the family; and
- make sure that children are attending school.

Source: Texas state officials.

Although relative caregivers may be eligible for some level of ongoing financial assistance to help them raise the children in their care, research suggests that many relative caregivers in informal arrangements do not receive any cash assistance. A study analyzing national survey data found that about 20 percent of relatives caring for children in informal arrangements reported receiving cash assistance.³³ State and local TANF staff we interviewed suggested various reasons for relatives not accessing TANF child-only benefits. For example, relative caregivers may not be aware that they are eligible for assistance or may not want to receive public assistance. In other cases, the relative caregiver may have a difficult time providing the necessary documentation to verify their relationship with the child or may not want to provide required information about the child's parents (often the caregiver's son or daughter) to help the state collect child support.³⁴

More services are generally available to children in foster care than children who are not in state custody. Foster children are eligible for a broad array of services from child welfare agencies, such as case management, education, and mental health services.³⁵ Caseworkers are expected to visit foster children on a monthly basis and help children access needed services. In addition, child welfare agencies in most states provide assistance to nonparent caregivers of children in state custody with child care expenses and respite care. In contrast, direct provision of child welfare services to children and relative caregivers in voluntary placements is infrequent, according to the 2007 survey of state child welfare agencies, and only 14 of the 39 states that allow voluntary

³³Michelle Sheran and Christopher A. Swann, "The take up of cash assistance among private kinship families." The researchers counted families as receiving cash assistance if they said they received AFDC, public assistance or welfare payments, or a regular payment to help care for the child. This study found that 21.2 percent of relative caregivers in informal arrangements received cash assistance for which they were eligible. The 95 percent confidence interval for this estimate is 15.8 to 26.6.

³⁴TANF requires that individuals with children for whom paternity has not been established or for whom a child support order needs to be established, cooperate with child-support enforcement agencies. According to a HHS handbook on child support enforcement, people who have received assistance under the TANF, Medicaid, and federally assisted foster care programs are automatically referred by state agencies for child support enforcement services.

³⁵According to child welfare staff in the three states we visited, foster children are eligible for the same services from the child welfare agency regardless of whether they live with a licensed foster parent or an unlicensed relative.

Tennessee's Relative Caregiver Program

Tennessee developed the Relative Caregiver Program, which provides support to children who are not in state custody and whose relative caregivers have incomes below 200 percent of the federal poverty level, according to information provided by Tennessee state officials. To be eligible, the relative caregiver must be related by blood, marriage, or adoption, be the child's primary caregiver, and agree to an in-home assessment. Tennessee's child welfare agency contracts with community based organizations throughout the state to operate the program. The types of assistance available through this program, which became available statewide in 2006, include information about available benefits, support groups, respite care, short-term case management, and start-up or emergency financial assistance.

Source: Tennessee state officials.

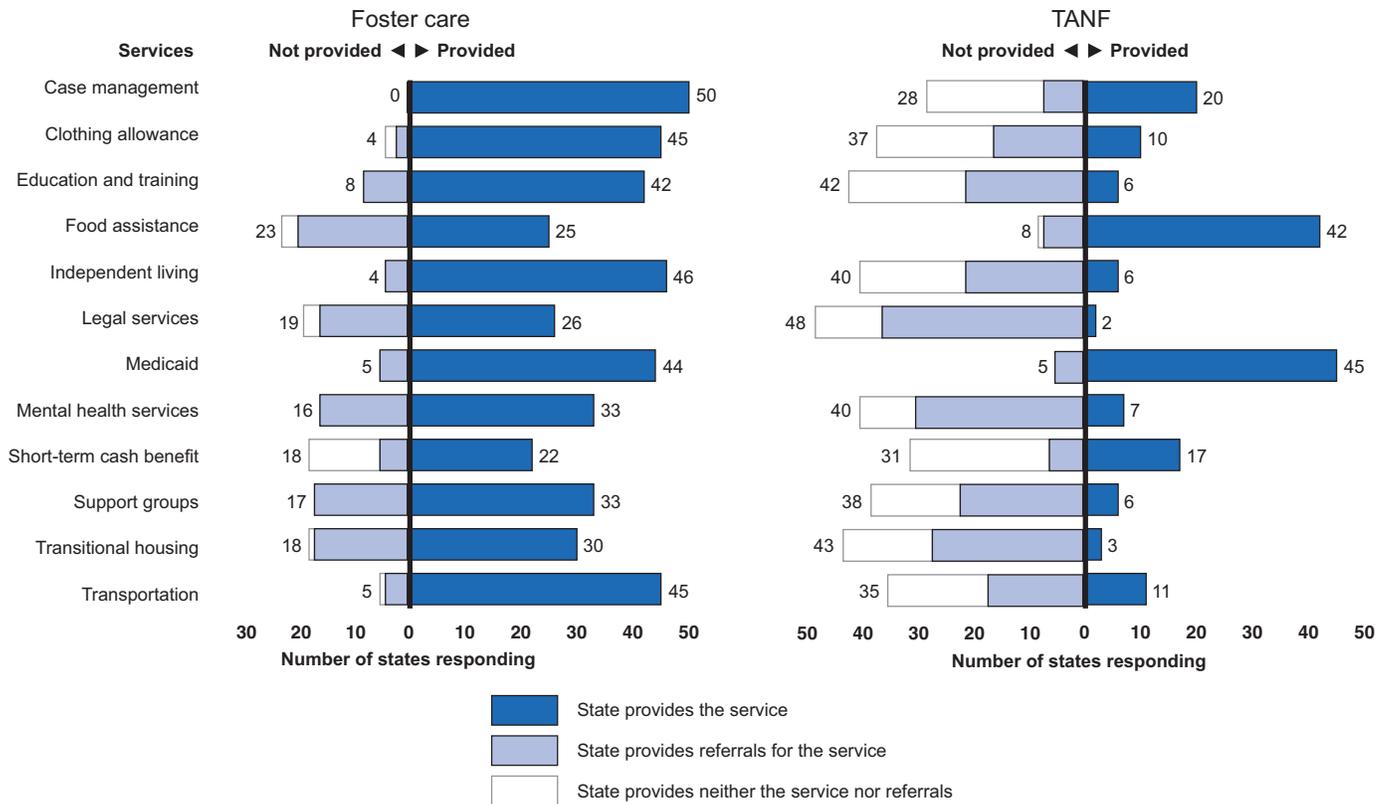
placements routinely maintain ongoing supervision of the children removed from their parents' homes.³⁶ Families with informal arrangements made by the parents and other family members to care for children are typically not involved with the child welfare system, but some states have developed programs to help these families.³⁷

Children living with relatives receiving TANF child-only payments may be eligible for other services through the TANF agency, but fewer services are available compared to the services child welfare agencies provide for foster children (see fig. 7). According to our survey of state TANF administrators, TANF agencies in 23 states offer child care assistance to nonparent caregivers, and 3 states offer respite care. Less than half of TANF agencies provide case management for TANF child-only cases, so in a majority of states, TANF agencies are unlikely to have ongoing contact with the caregiver after eligibility is determined.

³⁶Tiffany Allen, Kerry DeVooght, and Rob Geen, "State Kinship Care Policies for Children that Come to the Attention of Child Welfare Agencies: Findings from the 2007 Casey Kinship Foster Care Policy Survey."

³⁷The majority of states reported in our survey that there are kinship care programs separate from the traditional TANF and child welfare programs operating within their state. Examples of the kinship care programs states reported include subsidized guardianship programs, programs that offer short-term financial assistance, respite care, and support groups, and kinship navigator programs to help relative caregivers access available benefits. ACF has also provided 13 kinship navigator grants to help localities assist kinship caregivers find programs and services to meet their needs and the needs of the children in their care. According to HHS officials, many of the people served under these grants are relative caregivers receiving TANF child-only benefits.

Figure 7: Services Child Welfare Agencies Refer or Provide to Foster Children and Services TANF Agencies Refer or Provide to Children in TANF Child-Only Cases (number of states)



Source: GAO survey of state child welfare administrators and state TANF administrators.

Note: Child welfare agencies were asked whether child welfare staff provide (either directly or through other organizations) or refer children in state custody living with kinship caregivers to any of the following types of assistance. TANF agencies were asked whether workers in their state's local assistance offices provide (either directly or through other organizations) or refer children in TANF child-only cases to any of the following types of assistance.

Available Federal Funding and State Budget Constraints Influence Support Levels

Available federal funding influences the level of assistance states offer relative caregivers. Thirty-seven states reported in our survey that federal financing of child welfare services had some influence on the assistance made available to children in a relative's care. Title IV-E funding, which accounts for most of the federal funding dedicated for child welfare services, is restricted to supporting foster children who live with licensed or approved foster parents. Specifically, states can only be reimbursed by the federal government for payments made to support children if, among other requirements, the children are in foster care, meet income and resource requirements, and are living with licensed or approved foster parents. In

addition, changes made by the Deficit Reduction Act of 2005 clarified the amount that states can seek in federal reimbursement for IV-E administrative costs associated with foster children living with unlicensed relatives.³⁸ Many states have used TANF to fund child welfare services because although TANF funding is a capped block grant, it is a more flexible funding source. For example, in Texas, 30 percent of the child welfare agency's budget was funded with TANF dollars in state fiscal year 2010, according to state officials. However, some states may not be able to continue relying on TANF to fund child welfare services because they need to use TANF funds to address other program goals, such as promoting work. For example, Tennessee officials told us that they previously used some of their TANF grant to fund enhanced payments for relative caregivers and their Relative Caregiver Program, but that the state recently discontinued this practice due to budget constraints.

In addition to federal funding constraints, 28 states reported that the cost to the state of serving children in TANF or child welfare programs influences the supports that are made available. Officials in the three states we visited described recent budget problems that made it more difficult to fund supports for children living with relative caregivers. Tennessee's Relative Caregiver Program was cut by 15 percent, and the state limited participation in their Families First Kinship Program to about 90 children, according to state officials. Officials in Texas told us that their state legislature recently proposed eliminating Texas' Relative Caregiver Assistance Program, but that the program was ultimately spared after state agency officials successfully argued that, without this support, many relatives would be unable to care for the children, and the state would incur much higher costs if these children were placed with licensed foster care providers. In Washington, the state legislature authorized the TANF agency to begin means-testing child-only applicants to help address the state's budget shortfall, according to state officials.

In addition to federal and state funding constraints, states' child welfare reform efforts have affected the types of assistance states offer children living with relative caregivers. Specifically, 31 states reported in our child welfare survey that their state's efforts to place maltreated children with relatives and prevent entry into foster care had some influence on the type of assistance made available. For example, Texas implemented a

³⁸Pub. L. No. 109-171, § 7403(a), 120 Stat. 4, 151 (2006).

child welfare reform effort that involved hiring additional CPS staff and implemented family group decision-making meetings. The state also began providing more in-home services to parents and increased efforts to identify relatives when out-of-home care is necessary. These efforts resulted in significant reductions in the number of children taken into state custody, an increase in relative placements, and lower costs for the state. State officials in Tennessee reported implementing a similar child welfare reform effort, which involved hiring more CPS staff, using family group decision-making meetings, and improving efforts to identify relatives and prevent children from entering foster care.

Coordination Efforts Between TANF and Child Welfare Programs Can Affect Access to Services

Several State and Local Efforts Are Under Way to Coordinate TANF and Child Welfare Programs

Several states have initiated efforts to coordinate TANF and child welfare programs to better serve children living with relative caregivers. About two-thirds of states reported in our surveys that state TANF and child welfare staff meet periodically to work on common areas of concern, such as state budget or policy issues, and about half of state child welfare administrators reported working with their state TANF agency to make additional services available. For example, Washington's TANF agency convened various state agencies including child welfare, in part to improve coordination and help relative caregivers access resources and services. Tennessee's TANF and child welfare agency collaborated on a pilot project to provide an additional payment to supplement the TANF child-only payment for relative caregivers caring for children who were determined to be at risk of entering foster care. New York reported in our survey that the state's TANF and child welfare agencies worked together to launch an informational campaign to help relative caregivers access TANF child-only and child welfare benefits and services.

Washington State's TANF redesign

In an effort to improve Washington's TANF program while decreasing spending, the state's TANF agency reported making the following recommendations related to children living with relative caregivers:

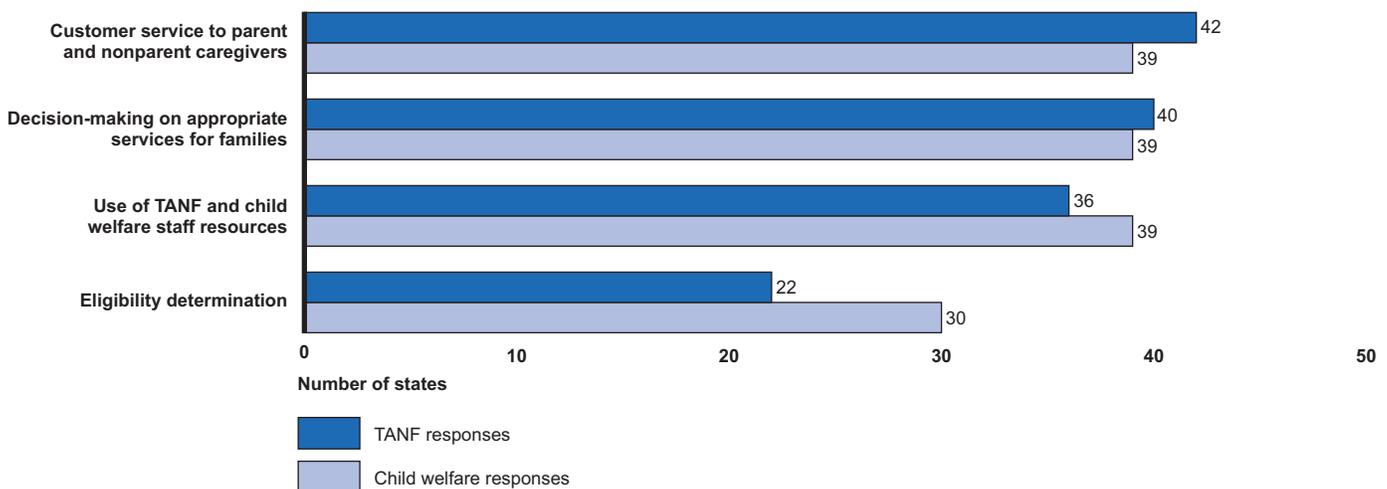
1. develop appropriate standards and requirements to ensure the health, well-being, and success of children, including caregiver training and well-child exams;
2. complete a means test of relative caregivers for the TANF child-only grant;
3. improve coordination between TANF staff, child welfare staff, and kinship navigators, which are nonprofit organizations funded by the state's Department on Aging that help relative caregivers access benefits; and
4. implement a more integrated case management model that would include relative caregivers receiving child-only grants.

Source: Washington state officials.

States surveyed and local offices we visited reported that various efforts are also under way at the local level to coordinate services for children living with relative caregivers. These efforts include colocating TANF and child welfare services in the same building and working together on case planning. Thirty-two states reported about half of their child welfare offices are located in the same building as TANF offices. Some TANF and child welfare staff from our site visits said collocation facilitated coordination by allowing staff to more easily contact each other about cases. In addition, officials from five states—California, Colorado, Kansas, Louisiana, and North Carolina—reported having a combined team of TANF and child welfare staff who work with relative caregivers within their states. In North Carolina, combined TANF and child welfare units, which provide “one-stop” services, improved communication about families, programs, and resources with the goal of preventing children from entering foster care.

Most states cited benefits to coordination between state and local TANF and child welfare agencies (see fig. 8). States reported that coordination was most helpful in providing customer service to parents and relative caregivers, followed by improved decision-making regarding appropriate services for families and better use of TANF and child welfare staff resources. For example, Colorado commented in our survey that one benefit of coordination is maximizing available TANF resources to prevent children from entering the child welfare system if the family lacks its own resources.

Figure 8: Number of States Reporting Benefits of Coordination Between State and Local TANF and Child Welfare Agencies



Source: GAO survey.

California's effort to improve local coordination between TANF and child welfare agencies

In 2000, California's TANF and child welfare agencies launched a project called Linkages to develop a coordinated services approach to better serve families and improve outcomes. The first phase of the project involved a statewide county survey to compile information about coordination practices that were already under way and develop recommendations about how to coordinate child welfare and public assistance programs in California. The state provides funding to counties to support local coordination efforts, and the counties are encouraged to develop their own work plans and provide leadership to promote coordination. Currently, 27 of California's 58 counties are participating in the project. Activities and information include:

- training of TANF and child welfare staff and management;
- four regional meetings and one statewide meeting per year;
- peer support clusters;
- Web site (<http://www.cfpic.org>) with information on the project, a toolkit including best practices, videos, and presentations;
- monthly newsletter; and
- technical assistance.

Sources: California state officials and Linkages Web site.

To promote coordination between TANF and child welfare programs, HHS' Administration for Children and Families (ACF) provided approximately \$3.5 million per year for five years in grants to states and tribes. ACF's Office of Financial Assistance awarded 10 grants to tribes to test the effectiveness of efforts to coordinate tribal TANF and child welfare services for tribal families at risk of child abuse or neglect. In addition, ACF's Children's Bureau provided grants to 2 states, a tribal organization, and 2 counties to support collaboration between TANF and child welfare programs. The purposes of the Children's Bureau grants are to: (1) demonstrate models of effective collaboration between TANF and child welfare agencies that will improve outcomes for children and youth who are in, or are at risk of entering, the child welfare system; (2) evaluate and document the processes and outcomes of these collaborations; and (3) develop identifiable sites that state and local TANF and child welfare agencies can look to for guidance and possible replication of collaboration efforts. ACF officials told us they convene meetings so that grantees can share information about their projects, but information about the outcomes of these efforts has not been made available to other states, in part because the demonstration projects and evaluations are still under way. ACF officials told us that, although dissemination activities to date have focused on information sharing among grantees, as grantees complete their work, the agency plans to disseminate best practices and lessons learned to all states. They noted that as site visits to the grantees are completed, the agency plans to post on relevant web sites information gleaned from the grantees on promising practices.

Limited Information Sharing Can Hinder Relative Caregiver Access to Available Benefits and Services

Information sharing between TANF and child welfare programs can benefit children living with relative caregivers, but our review in states where we performed site visits suggests this does not occur consistently. When case workers are knowledgeable about other government programs and community resources, they may be better able to refer families to appropriate services. A few offices we visited reported holding regular meetings during which information is shared about the policies of each program, however, some offices did not report meeting regularly. In our site visits, some TANF and child welfare staff reported being unaware of the services offered in each others' programs and the correct TANF eligibility rules for relative caregivers. For example, some TANF workers in Tennessee described instances in which child welfare workers had told relative caregivers that they were eligible for child care from the TANF agency, without clarifying that the caregivers must be working and meet certain income limits to qualify. In Texas and Tennessee, TANF and child

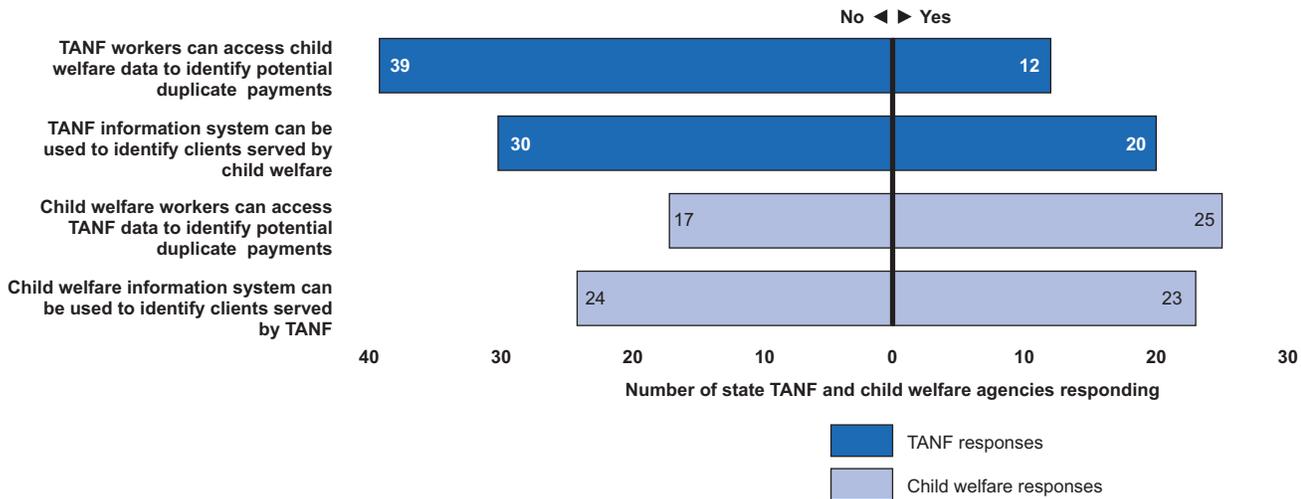
welfare staff at the state and local levels were unaware of services available to relative caregivers provided by their respective state agencies on aging.

In addition to information sharing between state TANF and child welfare staff, data sharing is another way to help caregivers access benefits and services. Under Title IV-E, states that receive federal funding to develop their child welfare information systems—known as statewide automated child welfare information systems (SACWIS)—are required to the extent practicable to develop an interface with the information system used by the state’s TANF program. This interface is intended to allow the exchange of client data.³⁹ According to ACF officials, 23 of the 34 state child welfare systems they formally reviewed have met this requirement, and 11 state child welfare systems have not met this requirement.⁴⁰ ACF has not reviewed the remaining 17 state child welfare systems because either the states do not operate SACWIS systems or the systems are still being developed. Child welfare administrators from 10 of these 17 states reported in our survey that case information cannot be shared between the child welfare and TANF information systems. Similarly, less than half of state TANF administrators responding to our survey reported that their information systems share data with their state’s child welfare systems, which would allow them to identify duplicate payments or information on whether a client is receiving child welfare services (see fig. 9). Some local TANF workers we spoke to in all three states we visited said they would like to access information in their state’s child welfare information system in order to more easily confirm if a child has been removed from their parents and placed with a relative. Similarly, some local child welfare workers we interviewed said that their state’s TANF agency often has more accurate contact information than their office and that this information could help them locate relative caregivers or parents.

³⁹Since fiscal year 1994, designated federal matching funds have been available to states to develop and implement SACWIS. States have the option to implement a SACWIS or develop different information systems without using SACWIS funds to support their child welfare agencies and collect information on their child welfare cases.

⁴⁰Twenty-three of the 34 states formally reviewed have met the interface requirement. Ten states do not have a SACWIS system, and 7 states have systems in development.

Figure 9: State TANF and Child Welfare Agencies Reporting on Access to Information



Source: GAO survey.

In addition to providing federal funding for the development of SACWIS, HHS provides guidance and technical assistance to help states develop child welfare information systems that can interact with TANF information systems, but more than half the states report obstacles to sharing information, such as privacy concerns and technical challenges. According to HHS officials, federal law should not present a barrier to the sharing of information between the TANF and child welfare agencies, although state law may, as states are permitted to determine their own confidentiality rules. Thirty state TANF administrators and 20 state child welfare administrators said that concerns about client confidentiality have prevented them from sharing information in their state. The National Association of State TANF Administrators, an affiliate of the American Public Human Services Association, suggested in a recent paper that more clarification was needed about whether federal laws prohibit states from sharing information between state TANF and child welfare agencies.⁴¹ HHS officials indicated they have provided states with technical assistance on the interface requirement through conferences

⁴¹The National Association of State TANF Administrators, "Temporary Assistance for Needy Families: Recommendations for Reauthorization" (Washington, D.C.: 2010).

and ongoing training.⁴² HHS also funds the National Resource Center for Child Welfare Data and Technology, which provides technical assistance to states focused on, among other things, improving case management and data collection systems to improve outcomes for children and families in the child welfare system.⁴³

Conclusions

Children often come into the care of relatives unexpectedly and under very difficult circumstances, and many of these caregivers have limited resources. TANF and child welfare programs provide financial assistance and other types of services to these families, but many relative caregivers may not know how to access benefits and services or that such assistance is available. Coordination among programs that provide financial assistance and support to these families is one way to ensure that caregivers are aware of available resources. It will be important for ACF to follow through with its plans to disseminate information gathered from its grants about effective collaboration practices so states can have models to look to for possible replication. Data sharing is another way for states to help caregivers access assistance. If caseworkers have automatic access to information about shared clients, they may be able to make better decisions about what services are needed and accelerate eligibility determination. Although some states are currently sharing data, others indicated they are not due to confidentiality and privacy concerns. HHS has issued guidance to clarify that federal rules do not prohibit data sharing, but less than half of states are moving forward with data sharing efforts.

⁴²Under federal regulations, in order for a state to receive federal reimbursement for developing and installing a SACWIS, that system must to the extent practicable be capable of interfacing with and retrieving information from, as appropriate, other automated information systems used to administer certain federally funded programs administered under Titles IV-A (TANF), IV-D (Child Support Enforcement), XIX (Medicaid) and the National Child Abuse and Neglect Data System. 45 C.F.R. § 1355.53(b)(2).

⁴³According to HHS officials, the National Resource Center for Child Welfare Data and Technology provides information about data sharing on its Web site (<https://www.nrccwdt.org/index.html>) and held webinars in fiscal year 2011 on confidentiality issues as it relates to data sharing.

Recommendations for Executive Action

To help states share data between TANF and child welfare information systems operating within states, we recommend that the Secretary of Health and Human Services direct ACF to clarify its guidance and provide additional technical assistance to states on data sharing opportunities. For example, the HHS-funded National Resource Center for Child Welfare Data and Technology could collect information from states that are successfully sharing data, including how they addressed concerns about client confidentiality, and disseminate that information to all states.

Agency Comments and Our Evaluation

We provided a draft of this report to the HHS for review and comment. HHS agreed with our recommendation and indicated it will provide additional guidance to states and tribes concerning the ability to share information between TANF and child welfare agencies. HHS also provided technical comments, which we incorporated as appropriate. A letter conveying HHS's comments is reproduced in appendix V.

As agreed with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies to the appropriate congressional committees, the Secretary of Health and Human Services, and other interested parties. In addition, this report will be available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staff members have any questions regarding this report, please contact me at (202) 512-7215 or brownke@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made major contributors to this report are listed in appendix VI.

Kay E. Brown

Kay E. Brown
Director, Education, Workforce,
and Income Security Issues

List of Requesters

The Honorable Charles Grassley
Ranking Member
Committee on the Judiciary
United States Senate

The Honorable Orrin G. Hatch
Ranking Member
Committee on Finance
United States Senate

The Honorable Geoff Davis
Chairman
Subcommittee on Human Resources
Committee on Ways and Means
House of Representatives

Appendix I: Scope and Methodology

To address the objectives of this study, we used a variety of methods. Specifically, we:

- analyzed publicly available Temporary Assistance for Needy Families (TANF) active caseload data from the U.S. Department of Health and Human Services (HHS), including the number and types of families receiving TANF cash assistance and the characteristics of children and nonparent caregivers in TANF child-only cases;
- analyzed HHS' Adoption and Foster Care Analysis and Reporting System (AFCARS) data reported by states including the number of foster children, number of foster children living with relatives, and the number receiving federally supported foster care payments;
- conducted a nationwide survey of state TANF administrators and a separate nationwide survey of state child welfare administrators;
- visited three states and selected localities within each state and interviewed officials administering TANF and child welfare programs;
- reviewed related studies;¹
- interviewed officials from HHS and reviewed pertinent federal laws, regulations, and agency guidance;² and
- interviewed researchers and others knowledgeable about TANF and child welfare programs from a range of organizations.³

¹We searched for studies published since 2000 in several databases and collected studies from HHS and researchers we interviewed. We reviewed selected studies' research methodology and assessed the extent to which the studies' data and methods supported its findings and conclusions.

²GAO did not conduct any legal analysis of state laws, requirements, rules, or policies. Information about state policies were collected through our surveys, site visits, and a 2007 survey of state child welfare agencies conducted by Child Trends.

³We interviewed selected researchers and other officials from the American Public Human Services Association, Annie E. Casey Foundation, Center for Budget and Policy Priorities, Center on Law and Social Policy, Chapin Hall, Child Trends, Congressional Research Service, Fostering Connections Resource Center, Generations United, University of North Carolina School of Social Work, and the Urban Institute.

We conducted our work from October 2010 to October 2011 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Review of TANF and Child Welfare Data from HHS

TANF Data

Because HHS is responsible for collecting state TANF data and reporting on state TANF programs nationally, we reviewed relevant TANF data compiled by that agency. HHS collects aggregated and disaggregated case record information from states on the families receiving TANF cash assistance. States are required to collect monthly TANF data and report the data to HHS quarterly. States have the option to submit either sample data or data on their entire TANF caseload (universe) data to HHS. Using the disaggregated data, we developed national estimates of the TANF caseload, TANF child-only caseload, the types of TANF child-only cases, and characteristics of the children and head-of-household adults in TANF child-only cases with nonparent caregivers. To analyze how the TANF child-only caseload has changed over time, we analyzed HHS's TANF data for fiscal years 2000 through 2008, the most recent data available. To identify the characteristics of TANF child-only cases with nonparent caregivers, we analyzed 2008 data, including several variables that provided information about the demographics and economic circumstances of these cases. Because the scope of our work extended to the 50 states and Washington, D.C., we excluded data for the U.S. territories from our analyses. Because many of the states report samples of cases to HHS, we weighted the estimates to reflect the sample design employed by each of these states. All national estimates produced from our analysis of the TANF data are subject to sampling errors. We express our confidence in the precision of our results as a 95 percent confidence interval. This is the interval that would contain the actual population value for 95 percent of the samples the states could have drawn.

To assess the reliability of HHS' TANF data, we reviewed relevant HHS documentation, including guidance for states on data collection and sampling, interviewed HHS officials, conducted electronic data testing, and compared our results with related information reported by HHS and other researchers. While we interviewed HHS officials to gather

information on the processes they use to ensure the completeness and accuracy of the TANF caseload data, we did not independently verify these data with states. In addition, although HHS does not perform on-site reviews of states' TANF data, auditors in each state periodically review state TANF programs, including administrative data, to comply with the Single Audit Act of 1984.⁴ Because of these reviews, as well as the steps taken by HHS officials to ensure the completeness and accuracy of these data, we determined that they were sufficiently reliable for the purposes of this report.

Tables 4, 5, 6, 7, and 8 provide the estimates and 95 percent confidence intervals for the data we present in the body of this report.

Table 4: Estimates and 95 Percent Confidence Intervals for Number of TANF and Child-Only Cases (FY 2000-2008)

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Number of TANF cases	2,232,570 (2,229,148-2,235,992)	2,090,024 (2,087,255-2,092,793)	1,983,862 (1,970,328-1,997,396)	1,948,820 (1,939,976-1,957,664)	1,965,713 (1,963,769-1,967,657)	1,898,118 (1,895,362-1,900,874)	1,786,245 (1,784,557-1,787,933)	1,682,143 (1,680,459-1,683,827)	1,613,032 (1,611,315-1,614,749)
Number of child-only cases	772,227 (731,702-812,751)	781,677 (743,671-819,684)	771,031 (736,694-805,367)	799,506 (765,729-833,282)	860,317 (825,456-895,178)	866,378 (831,273-901,483)	846,523 (813,218-879,827)	818,289 (782,715-853,864)	814,977 (779,313-850,642)
Percentage of TANF cases that were child-only	34.6 (32.8-36.4)	37.4 (35.6-39.2)	38.9 (37.1-40.6)	41.0 (39.3-42.8)	43.8 (42.0-45.5)	45.6 (43.8-47.5)	47.4 (45.5-49.3)	48.6 (46.5-50.8)	50.5 (48.3-52.7)

Source: GAO analysis of HHS administrative data.

⁴Pub. L. No. 98-502, 98 Stat. 2327.

Table 5: Estimates and 95 Percent Confidence Intervals for Composition of TANF Child-Only Caseload in 2000 and 2008 (percentage of each type of case)

Type of child-only case	2000 estimate	95 percent confidence interval	2008 estimate	95 percent confidence interval
Nonparent caregiver	31.1	28.3-33.9	32.5	29.8-35.2
Parent ineligible due to immigration status	10.8	8.1-13.5	19.1	15.9-22.3
Parent ineligible due to receipt of SSI	18.2	15.8-20.5	22.4	19.9-25.0
Parent ineligible due to sanction	4.6	2.7-6.5	4.9	2.8-7.0
Parent, other	11.0	9.2-12.8	9.3	6.8-11.9
Unknown caregiver	24.3	21.6-26.9	11.7	10.8-12.6

Source: GAO analysis of HHS administrative data.

Table 6: Estimates and 95 Percent Confidence Intervals for Assistance Received by TANF Child-Only Families with Head of Household Nonparent Caregivers (FY 2008)

Type of assistance	Percentage receiving assistance	95 percent confidence interval	Percentage not receiving assistance	95 percent confidence interval
Medical- enrolled in Medicaid or CHIP	95.3	94.5-96.1	4.7	3.9-5.5
SNAP	42.6	38.2-46.9	57.4	53.1-61.8
Housing- public housing- rent subsidy	8.6	6.3-10.9	91.4	89.1-93.7
Child care	5.7	4.4-7.1	94.3	92.9-95.6

Source: GAO analysis of HHS administrative data.

Table 7: Estimates and 95 Percent Confidence Intervals for Characteristics of Nonparent Caregivers in TANF Child-Only Cases with Head of Household Nonparent Caregivers (FY 2008)

Characteristic		Percentage	95 percent confidence interval
Gender	Female	91	88.5-93.9
	Male	9	6.1-11.5
Age of caregiver	Under 30 years old	8	5.2-10.3
	31-40 years old	12	9.2-14.5
	41-50 years old	27	23.1-31.0
	51-60 years old	32	27.4-36.1
	Over 60 years old	22	17.5-25.7
Race/ethnicity	White/non-Hispanic	40	35.5-44.4
	African American/non-Hispanic	39	34.9-43.1
	Hispanic	14	9.5-18.9
	Other/ multiracial	4	1.8-6.2
	Unknown	3	2.2-3.4
Marital status	Single, never married, divorced, or separated	65	60.7-69.7
	Married	29	24.7-33.2
	Widowed	6	3.4-8.2
Education	Less than high school degree	24	19.6-27.5
	High school degree	38	33.5-41.9
	Associates degree, bachelors degree, or other credentials	4	2.5-5.1
	No formal education	8	6.4-10.5
	Unknown	27	22.2-31.0

Source: GAO analysis of HHS TANF administrative data.

Table 8: Estimates and 95 Percent Confidence Intervals for Characteristics of Children in TANF Child-Only Cases with Head of Household Nonparent Caregivers (FY 2008)

Characteristic		Percentage	95 percent confidence interval
Gender	Female	51	47.6-55.0
	Male	49	45.0-52.5
Age of children	Less than 1 year old	2	0.7-2.7
	1-5 years old	23	19.2-26.2
	6-10 years old	29	25.8-33.1
	11- 17 years old	44	39.6-48.1
	18 years or older	2	1.0-3.7
Race/ethnicity	White/non-Hispanic	36	31.8-41.1
	African American/non-Hispanic	41	36.6-46.1
	Hispanic	17	11.0-22.5
	Other/ multiracial	5	2.9-6.5
	Unknown	1	0.2-1.3
Length of time on assistance	Less than 1 year	25	21.4-29.2
	1-2 years	16	12.2-19.0
	2-5 years	30	26.1-34.6
	5+ years	29	24.5-33.0
Relationship to caregiver	Grandchild or great grandchild	63	58.3-68.1
	Other related person	24	19.8-27.8
	Unrelated child	3	1.7-3.3
	Unknown	10	6.8-14.1

Source: GAO analysis of HHS TANF administrative data.

Child Welfare Data

To examine the extent to which foster children live with relatives and what payments foster children receive, we reviewed relevant national data on children in foster care from HHS’s Adoption and Foster Care Analysis and Reporting System (AFCARS). HHS uses AFCARS to capture, report, and analyze information collected by the states concerning all foster care children for whom state child welfare agencies have responsibility for placement, care, or supervision. We reviewed AFCARS data for fiscal years 2005 through 2009 and identified the number of foster children living with relatives and the number of children receiving a federally supported IV-E foster care payment. To assess the reliability of these

data, we reviewed documentation about the collection and reporting of AFCARS data and conducted electronic testing of AFCARS data. We also interviewed relevant HHS officials to clarify data elements, procedures, and reasons for missing information. The AFCARS data on the placement setting of children in foster care and whether they receive a IV-E foster care payment were found to be sufficiently reliable for the purposes of this engagement.

Surveys of State TANF and Child Welfare Administrators

To help address all of our research objectives, we conducted a Web-based survey of state TANF administrators and a separate survey of state child welfare administrators in all 50 states and the District of Columbia. The survey was conducted between March 2011 and June 2011, and administrators from every state and the District of Columbia responded. The TANF survey included questions about: TANF child-only policies, the current TANF child-only caseload, financial assistance and services available to children in these cases, kinship care programs, coordination between TANF and child welfare programs, and the factors influencing the assistance available to children living with relative caregivers. The child welfare survey included questions about: the financial assistance and services available to children in foster care, the extent to which relative homes are licensed as foster parents, kinship care programs, implementation of subsidized guardianship, coordination between TANF and child welfare programs, and the factors influencing the assistance available to children living with relative caregivers.

Because this was a survey of all states and not a sample survey, there are no sampling errors. However, the practical difficulties of conducting any survey may introduce errors, commonly referred to as nonsampling errors, such as variations in how respondents interpret questions and their willingness to offer accurate responses. We took steps to minimize nonsampling errors, including reviews by experts in the content field, pretesting draft instruments, and having an independent analyst check all computer programs. Specifically, during survey development, we pretested draft instruments with TANF and child welfare administrators from four states (Maryland, Ohio, Virginia, and Washington) in February 2011. We selected the pretest states to provide variation in program administration (e.g., state-administered vs. county-administered programs) and geographic location. In the pretests, we were generally interested in the clarity, precision, and objectivity of the questions, as well as the flow and layout of the survey. For example, we wanted to ensure definitions used in the surveys were clear and known to the respondents, categories provided in closed-ended questions were complete and

exclusive, and the ordering of survey sections and the questions within each section was appropriate. We revised the final survey based on pretest results. To further minimize errors, programs used to analyze the survey data and make estimations were independently verified to ensure the accuracy of this work.

While we did not fully validate specific information that states reported through our survey, we took steps to ensure that the information was of sufficient quality for the purposes of this report. For example, we reviewed the responses and identified those that required further clarification and, subsequently, conducted follow-up interviews with those respondents to ensure the information they provided was reasonable and reliable. On the basis of these checks, we believe our survey data are of sufficient quality for use in our work.

Site Visits

To gather information about how TANF and child welfare programs are implemented at the local level, we conducted site visits, between December 2010 and March 2011, to Tennessee, Texas, and Washington, and selected localities in those states. Specifically, we met with state officials in each state and visited Upper Cumberland, Rutherford, and Davidson counties in Tennessee; Travis, Williamson, and Hays counties in Texas; and King, Grays Harbor, and Thurston counties in Washington. These states were selected because they varied in TANF caseload characteristics and implementation of programs to assist relative caregivers. We worked with the states to select localities that were located in both urban and rural areas to help ensure that we captured any differences in TANF and child welfare program implementation. Within each state, we interviewed state TANF and child welfare administrators, as well as TANF and child welfare staff from two to three local offices. Through these interviews, we collected information on TANF child-only policies and caseload characteristics, the types of assistance available to children living with relative caregivers, coordination between TANF and child welfare programs, and the factors influencing the types of assistance available to support children living with relative caregivers.

Appendix II: States' Reported Child-Only Caseloads and Reasons That Cases Are Child-Only

State	Total cash assistance caseload	Child-only cases	Percentage of caseload that is child-only	Number of child-only cases by reason				
				Nonparent caregiver	Parent receives SSI	Parent ineligible because of immigration status	Parent sanction or disqualification	Other reason
Alabama	24,792	7,933	32	data not provided	data not provided	data not provided	data not provided	data not provided
Alaska	3,573	932	26	408	373	39	0	data not provided
Arizona	19,790	8,119	41	3,685	1,523	2,185	726	data not provided
Arkansas	data not provided	data not provided	data not provided	data not provided	data not provided	data not provided	data not provided	data not provided
California	587,964	244,952	42	36,693	34,536	122,646	46,031	5,046
Colorado	14,849	4,874	33	2,735	943	980	216	data not provided
Connecticut	18,637	7,079	38	3,701	2,682	666	30	data not provided
Delaware	7,818	2,261	29	data not provided	data not provided	696	data not provided	data not provided
District of Columbia	6,551	3,074	47	2,188	517	318	2	data not provided
Florida	58,020	38,454	66	28,236	5,482	3,396	436	904
Georgia	20,499	16,458	80	10,638	5,222	650	2	36
Hawaii	data not provided	data not provided	data not provided	data not provided	data not provided	data not provided	data not provided	data not provided
Idaho	2,404	2,163	90	2,127	0	36	0	0
Illinois	37,621	15,312	41	5,819	7,045	2,144	304	
Indiana	31,325	9,547	30	4,197	3,243	1,915	0	192
Iowa	18,390	5,454	30	2,817	1,496	716	7	364
Kansas	15,362	4,183	27	2,278	1,005	764	49	0
Kentucky	24,629	12,329	50	data not provided	data not provided	data not provided	data not provided	data not provided
Louisiana	10,696	7,609	71	data not provided	data not provided	data not provided	data not provided	data not provided
Maine	14,861	2,879	19	707	1,167	0	1,005	data not provided
Maryland	27,558	8,743	32	6,547	1,698	0	0	498
Massachusetts	52,463	18,642	36	4,493	8,068	3,729	2,352	data not provided

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				Nonparent caregiver	Parent receives SSI	Parent ineligible because of immigration status	Parent sanction or disqualification	Other reason
Michigan	84,570	18,341	22	12,613	11,439	2,314	1,662	data not provided
Minnesota	37,290	11,409	31	4,448	5,426	2,844	127	33
Mississippi	12,047	5,265	44	data not provided	data not provided	data not provided	data not provided	data not provided
Missouri	42,828	9,781	23	4,505	3,739	795	751	0
Montana	3,694	1,329	36	data not provided	data not provided	data not provided	data not provided	data not provided
Nebraska	8,880	8,239	93	data not provided	data not provided	data not provided	data not provided	data not provided
Nevada	12,073	4,833	40	1,491	900	2,129	0	314
New Hampshire	6,252	2,421	39	1,181	1,051	82	0	230
New Jersey	37,847	9,474	25	4,311	2,764	1,949	0	450
New Mexico	21,664	7,265	34	data not provided	data not provided	data not provided	data not provided	data not provided
New York	123,450	59,088	48	18,647	17,632	18,722	0	4,087
North Carolina	25,999	16,757	64	11,344	2,587	2,494	172	0
North Dakota	1,988	497	25	497	data not provided	data not provided	0	data not provided
Ohio	103,513	43,891	42	data not provided	data not provided	data not provided	data not provided	data not provided
Oklahoma	9,273	4,759	51	3,105	1,057	586	10	0
Oregon	32,140	7,575	24	1,570	1,572	3,307	284	842
Pennsylvania	86,991	23,209	27	data not provided	data not provided	data not provided	data not provided	data not provided
Rhode Island	7,105	2,258	32	344	1,572	324	8	10
South Carolina	19,523	7,273	37	4,548	1,857	494	331	data not provided
South Dakota	3,307	2,179	66	1,844	295	data not provided	40	0
Tennessee	63,153	18,851	30	11,151	7,604	96	0	0
Texas	49,753	31,996	64	10,074	3,042	16,846	974	1,060
Utah	6,932	2,846	41	1,640	645	561	0	0
Vermont	3,371	1,329	39	638	704	21	0	data not provided

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				Nonparent caregiver	Parent receives SSI	Parent ineligible because of immigration status	Parent sanction or disqualification	Other reason
Virginia	36,604	5,477	15	154	3,289	1,458	576	data not provided
Washington	70,759	25,251	36	11,550	4,978	9,447	169	data not provided
West Virginia	11,716	4,907	42	4,907	data not provided	0	226	data not provided
Wisconsin	25,717	11,404	44	5,174	6,417	0	0	0
Wyoming	477	298	62	235	56	4	0	0
U.S. total	1,946,718	769,199	40	233,190	153,626	205,353	56,490	14,066

Source: GAO TANF survey.

Note: States were asked to report on their caseloads as of December 31, 2010. Some of the totals may not add up because cases may be counted in multiple categories.

Appendix III: States' Monthly TANF Child-Only and Foster Care Payment Rates

State	TANF child-only payment			Minimum foster care payment for 1 child
	1 child	2 children	3 children	
Alabama	165	190	215	432
Alaska	452	554	656	738
Arizona	164	220	278	608
Arkansas	81	162	204	432
California	345	561	694	446
Colorado	128	269	404	374
Connecticut	354	470	576	764
Delaware	270	336	428	391
District of Columbia	201	270	338	919
Florida	180	241	303	417
Georgia	155	235	280	452
Hawaii	450	607	763	529
Idaho	309	309	309	274
Illinois	117	230	284	286
Indiana	139	198	256	760
Iowa	183	361	426	456
Kansas	186	284	375	570
Kentucky	186	225	262	690
Louisiana	122	188	240	426
Maine	138	263	386	487
Maryland	433	583	733	835
Massachusetts	428	531	633	578
Michigan	158	274	420	426
Minnesota	250	437	532	620
Mississippi	110	146	170	665
Missouri	136	234	292	282
Montana	298	401	504	487
Nebraska	222	293	364	246
Nevada ^a	.	.	.	683
New Hampshire	539	606	675	474
New Jersey	162	322	424	713
New Mexico	266	357	447	408
New York	577	719	900	474
North Carolina	181	236	272	475

**Appendix III: States' Monthly TANF
Child-Only and Foster Care Payment Rates**

State	TANF child-only payment			Minimum foster care payment for 1 child
	1 child	2 children	3 children	
North Dakota	163	238	310	656
Ohio	259	355	434	300
Oklahoma	87	171	241	365
Oregon	228	348	477	639
Pennsylvania	205	316	403	456
Rhode Island	327	449	554	409
South Carolina	128	172	216	332
South Dakota	575	628	681	478
Tennessee	140	192	232	697
Texas	89	128	179	674
Utah	288	399	498	426
Vermont	503	605	710	495
Virginia	242	323	389	448
Washington	305	385	478	423
West Virginia	262	301	340	600
Wisconsin ^b	.	.	.	220
Wyoming	321	528	561	650
U.S. average	249	344	423	511

Source: GAO TANF survey.

^aIn Nevada, officials reported that the maximum TANF child-only payment per child under 12 is \$534 per month; per child 13 and older is \$616 per month.

^bWisconsin officials reported that it has two types of TANF child-only caretaker payments. If a parent is on Supplemental Security Income (SSI), the rate is \$250 for the 1st child and \$150 for each additional child. Nonparent caregivers can receive \$220 per child.

Appendix IV: Subsidized Guardianship and the TANF Child-Only Caseload

As part of this study, we were asked to examine how states have implemented the option, known as the Guardianship Assistance Program (GAP), and how it has affected TANF child-only caseloads. To address this question, we collected information from HHS, our survey of state child welfare administrators, and interviews with researchers who have expertise in child welfare. We also reviewed the evaluations of the guardianship waiver demonstration projects that 11 states submitted to HHS.¹

Status of Subsidized Guardianship

The Fostering Connections to Success and Increasing Adoptions Act of 2008 gave states the option to use federal Title IV-E funding—that was previously reserved for foster care and adoption services—to support relatives who become guardians under certain circumstances.² To receive funding, the child must be Title IV-E eligible, the caregiver must be a licensed or approved foster parent, and the child must live with the caregiver for at least 6 months. In addition, reunification with the child’s birth parents and adoption by the relatives must be ruled out as permanency options. States that adopt the federal GAP option can be federally reimbursed for a portion of the cost of providing kinship guardianship assistance payments on behalf of eligible children.³ Many states developed subsidized guardianship programs prior to the availability of federal funding, according to previous studies. States that had subsidized guardianship programs funded with state funds could benefit from the new federal option, provided the children meet federal eligibility requirements. States that did not previously have subsidized guardianship programs have to consider whether state funding is available to cover the costs that will not be federally reimbursed.

To adopt the option, states must submit an amendment of their IV-E plan to ACF for review and approval. As of August 2011, 29 states have

¹From 1997-2010, 11 states received IV-E waivers from HHS, allowing them to use federal IV-E funding for subsidized guardianships. These states were Delaware, Iowa, Illinois, Maryland, Minnesota, Montana, New Mexico, North Carolina, Oregon, Wisconsin, and Tennessee.

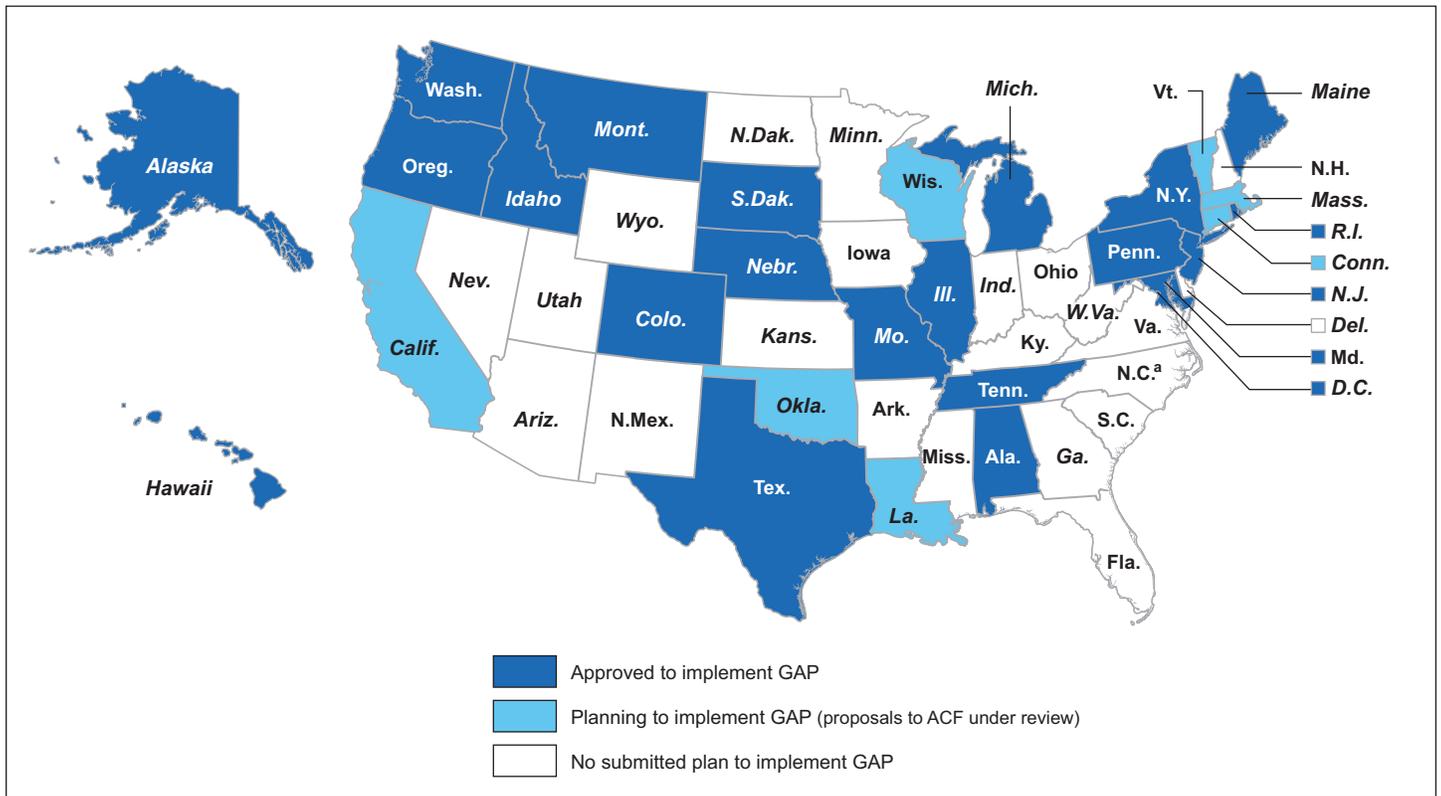
²Pub. L. No. 110-351, § 101(a), 122 Stat. 3949, 3950.

³The reimbursement rate for the guardianship payments is the rate states are reimbursed for Medicaid. States opting to provide such payments may also claim federal reimbursement for a portion of the administrative and training costs associated with operating the program.

submitted Title IV-E plan amendments to adopt the option to operate a guardianship assistance program. ACF has approved 22 amendments, and amendments from the remaining 7 states are under ACF review or are being revised (see fig. 10). As of the second quarter of fiscal year 2011, 10 states submitted claims for federal reimbursement for IV-E guardianship assistance payments on behalf of 1,004 children. In addition, Illinois, which implemented one of the IV-E waiver projects, submitted claims on behalf of 2,893 children who were eligible based on their participation in the waiver demonstration.

In addition to the federal GAP option, 30 states reported in our survey that they had another subsidized guardianship program in place (see italicized states in figure). Some of these other state subsidized guardianship programs have broader eligibility rules compared with the federal program. Specifically, 7 states reported that children who were not in state custody could benefit from their state subsidized guardianship program, and 14 allowed unlicensed relative caregivers to participate.

Figure 10: State Implementation of the Federal Guardianship Assistance Program (GAP) option and Other State Subsidized Guardianship Programs



Sources: GAO analysis of ACF data and GAO survey results.

^aOfficials from North Carolina responded that they did not know whether the state had a subsidized guardianship program in place other than the federal GAP option.

Subsidized Guardianship and TANF Child-Only Cases

Based on our review, we were unable to determine whether or not there is connection between the availability of guardianship and TANF child-only cases. States are just beginning to implement the GAP option, and it is too early to determine whether the availability of subsidized guardianship will have an effect on the TANF child-only caseload at this point in time. The state evaluations of the 11 IV-E subsidized guardianship waiver projects did not include any information that indicates that subsidized guardianship programs have affected TANF child-only caseloads. The state evaluations indicated that the IV-E subsidized guardianship waiver projects offered a guardianship option to children in state or tribal custody, and 6 of the 11 states required the caregivers be licensed foster parents. Most state child welfare agencies responding to a

question in our survey about the relationship between subsidized guardianship and the TANF child-only caseload reported that they did not believe the number of TANF child-only cases with nonparent caregivers would be affected by the availability of subsidized guardianship in their state. Researchers we interviewed were not aware of a connection between subsidized guardianship and TANF child-only caseloads. Subsidized guardianship may not be a viable option for most children in TANF child-only cases because most of the children are not in state custody, and the relative caregivers are not licensed, according to some of the researchers we interviewed.

Appendix V: Comments from the Department of Health and Human Services



DEPARTMENT OF HEALTH & HUMAN SERVICES

OFFICE OF THE SECRETARY

Assistant Secretary for Legislation
Washington, DC 20201

Kay Brown, Director
Education, Workforce and Income Security Issues
U.S. Government Accountability Office
441 G Street NW
Washington, DC 20548

SEP 19 2011

Dear Ms. King:

Attached are comments on the U.S. Government Accountability Office's (GAO) draft report entitled, "TANF AND CHILD WELFARE PROGRAMS: Increased Data Sharing Could Improve Access to Benefits and Services" (GAO-12-2).

The Department appreciates the opportunity to review this report prior to publication.

Sincerely,

A handwritten signature in black ink that reads "Jim R. Esquea".

Jim R. Esquea
Assistant Secretary for Legislation

Attachment

GENERAL COMMENTS OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) ON THE GOVERNMENT ACCOUNTABILITY OFFICE'S (GAO) DRAFT REPORT ENTITLED, "TANF AND CHILD WELFARE PROGRAMS: INCREASED DATA SHARING COULD IMPROVE ACCESS TO BENEFITS AND SERVICES" (GAO-12-2)

The Department appreciates the opportunity to review and comment on this draft report.

GAO Recommendation

To help states share data between Temporary Assistance for Needy Families (TANF) and child welfare information systems operating within states, we recommend that the Secretary of Health and Human Services direct the Administration for Children and Families (ACF) to clarify its guidance and provide additional technical assistance to states on data sharing opportunities. For example, the HHS-funded National Resource Center for Child Welfare Data and Technology could collect information from states that are successfully sharing data, including how they addressed concerns about client confidentiality, and disseminate that information to all states.

ACF Comments

In light of the indications that some jurisdictions may wish additional clarification on this topic, HHS will provide guidance to States and Tribes concerning the ability to share information between TANF and child welfare agencies. In addition, ACF would like to share the activities we have under way that address some of the issues identified in the report.

The National Resource Center for Child Welfare Data and Technology (NRC-CWDT) gathers and disseminates information from States on the subject of data exchange as part of its ongoing technical assistance activities. NRC-CWDT disseminates information via webinars and on NRC's website there is a page specifically devoted to data sharing. NRC has issued "Tips, Tools, and Trends" papers (located on the website) that highlight promising practices in States. In Fiscal Year 2011, NRC-CWDT held meetings/webinars specifically on the issue/misconceptions of confidentiality as it relates to data sharing. (See website <https://www.nrcwdt.org/index.html> for more information.) NRC-CWDT will continue to make data exchange a priority topic.

As the report addresses, ACF has also provided discretionary grants to a limited number of States and Tribes to support collaboration between TANF and child welfare programs. We will share best practices and lessons learned from the grants when they are completed and assess needed next steps, including the possible need for additional guidance on data sharing.

As part of its report, GAO may also want to reference that ACF has provided 13 kinship navigator grants as part of the Family Connections grant projects authorized by the Fostering Connection to Success and Increasing Adoptions Act of 2008. Under the law, at least \$5 million of the \$15 million is dedicated to kinship navigation programs to help localities to assist kinship caregivers in learning about, finding, and using programs and services to meet the needs of the children they are raising and their own needs, and to promote effective partnerships among public and private agencies to ensure kinship

GENERAL COMMENTS OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) ON THE GOVERNMENT ACCOUNTABILITY OFFICE'S (GAO) DRAFT REPORT ENTITLED, "TANF AND CHILD WELFARE PROGRAMS: INCREASED DATA SHARING COULD IMPROVE ACCESS TO BENEFITS AND SERVICES" (GAO-12-2)

caregiver families are served. Many of the people served under these grants are relatives receiving TANF child only benefits. Information on these 13 funded projects are available on the National Resource Center for Permanency and Family Connections website at <http://www.nrcpfc.org/grantees.html>. Dissemination of the findings of this program will be made available in an ACF cross-site evaluation report to be released in 2013 after the termination of these three-year grant projects.

Regarding data sharing, States (and for IV-E, Tribes) are permitted to determine their own confidentiality rules and there are no specific Federal barriers to Title IV-E and IV-A programs exchanging information. Further points for clarity on Federal confidentiality rules:

- On page 30 of the report, GAO references an HHS Action Transmittal from 1995 (ACF-OISM-001). The Action Transmittal, which provided guidance to States on implementing State Automated Child Welfare Information Systems, stated that confidentiality requirements are not an obstacle to the development of effective electronic interfaces to the systems used to administer the Title IV-A, IV-D and XIX programs, and that confidentiality requirements are not an appropriate rationale for a State's inability to pursue effective interfaces. This Action Transmittal pre-dates the passage of the Personal Responsibility and Work Opportunity Reconciliation Act in 1996 which revised the statutory language related to confidentiality for the Title IV-A program. The new language simply requires that a State shall "[t]ake such reasonable steps as the State deems necessary to restrict the use and disclosure of information about individuals and families receiving assistance under the [TANF] program attributable to funds provided by the Federal Government." As such, the regulations that were applicable to the IV-A program are no longer applicable, and the States are now permitted to determine their own confidentiality rules, which may or may not include sharing TANF information with child welfare.

The Title IV-E program confidentiality requirements have been in law and regulation since the 1980s and, as required under the Title IV-E program, States must have safeguards that restrict the use of or disclosure of information in place in order to receive IV-E funding. Federal law expressly provides that the safeguards must restrict the use of or disclosure of information concerning individuals assisted under the State plan to certain purposes; among those purposes is the administration of the state plan under part A of Title IV, i.e., the TANF program. For TANF, Federal law only requires that a State's plan provide that the State will "[t]ake such reasonable steps as the State deems necessary to restrict the use and disclosure of information about individuals and families receiving assistance under the program attributable to funds provided by the Federal Government."

Appendix VI: GAO Contact and Staff Acknowledgments

GAO Contact

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Staff Acknowledgments

In addition to the individual named above, others making key contributions to this report include: Elizabeth Morrison, Cathy Roark, John Townes, Marissa Dondoe, Allyson Goldstein, Kate van Gelder, James Bennett, Hiwotte Amare, Carl Barden, Luann Moy, Lorraine Ettaro, Beverly Ross, Alex Galuten, Leia Dickerson, Amy Frazier, Kristy Kennedy, Claudine Pauselli, and Almeta Spencer.

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