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**Report to  
The Vermont Legislature**

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**Report of The Reach Up Policy Work Group**

**In Accordance with H.530  
Act 50. 33 V.S.A. §E.323.6**

**AN ACT RELATING TO MAKING APPROPRIATIONS  
FOR THE SUPPORT OF GOVERNMENT**

**Submitted to: General Assembly**

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**AGENCY OF HUMAN SERVICES  
Department for Children and Families**

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## ***Commissioner's message to the legislature***

I am grateful to the talented and hard-working Reach Up Policy Work Group members who contributed considerable time and energy to the tasks they were handed by the 2013 legislature in Act 50 (see Interim Report Appendix A for full details of the legislative mandate). From the group's first meeting in July, they were empowered to conduct their own independent analysis of the program. To perform their work they were offered and fully accessed significant administrative, technical, and meeting facilitation support from DCF staff. I participated in nine of the 10 work group meetings and was impressed by the quality of the dialogue, the respectful communication, and the diligence with which the group undertook its work. While the list of tasks was long and the time allowed relatively short, the process resulted in an impressive set of actionable items the legislature can use to chart its own course forward.

The report that follows, the culmination of a four-month long work group process, is worthy of the legislature's serious consideration. The ideas that emerged and the final recommendations and conclusions that are drawn belong to the work group. There are many areas where the administration's priorities and the work group's thinking align. First among those is the top work group priority: An increase in the program's case management capacity and a reduction in caseloads, especially related to the program participants' substance abuse and mental health needs. Increasing specialized services for participants with addiction and/or mental health challenges is among the administration's top priorities as well, and I encourage the legislature to take action on this in the coming session.

One other area where my interests are shared with the legislature is identifying TANF models that emphasize personal responsibility. While at first blush the work group's response to this task seems counter to the legislature's intent, I believe the work group's thinking offers important contributions to the accountability conversation. For example, lowering the caseloads, increasing the income disregard, and streamlining the "good cause" process are all among the recommendations the work group prioritized. These and many other strategies that emerged from their time together speak to the critical incentives and supports that must be built into the program to assure meaningful accountability for the program participants. With greater staff capacity and when we more effectively incentivize work, we can expect greater accountability.

I realize, too, that most of the recommendations contained in this report have fiscal and information technology implications. It was not feasible for the work group and DCF staff to conduct a full analysis of those implications for this report. The Department looks forward to working with the legislature to assess in detail those fiscal and IT impacts when specific policy changes are being considered. We also look forward to working with the legislature to find ways to implement those program changes where we have common cause, and that will generate the greatest benefit to program participants and Vermonters.

Thank you for taking time to read and consider the recommendations put forth in this report. While it represents the culmination of almost 2,000 hours of dedicated and hard work by many people, more importantly, it offers a number of ideas worthy of serious consideration.

## Part II Executive Summary

The 2013 legislature directed the Commissioner for the Department for Children and Families (DCF) to create a Reach Up policy work group, and it set 11 tasks for the group to address. The Commissioner recruited 20 individuals from diverse backgrounds to participate, and while some members had deep experience with the program, many had limited working knowledge of the rules and statutes that govern the federal Temporary Assistance to Needy Families (TANF) program and Vermont's Reach Up program.

The group's four-month journey to gain a deeper understanding of who the program serves, what services are available, and how they are delivered resulted in a comprehensive set of recommendations to improve the program. This report will focus on those recommendations and implications for their implementation. The details related to the work group's membership, the process it used to undertake the complex tasks it was asked to investigate, and the structures and tools that were created to do the research are all contained in the Interim Report which was submitted to the general assembly on November 1, 2013, and are included in this report in Appendix A.

*The work group's commitment:* Despite their diverse professional and personal life experiences, the members quickly formed a highly functioning work group focused on the legislature's interest in improving the Reach Up program. The work group demonstrated a deep level of commitment to the work through consistent attendance and the significant number of hours they contributed outside of the work group time to complete their task. Collectively the 20 members spent nearly 500 hours outside of the work group time: preparing for meetings, conducting research, and participating in committee meetings. (The work group formed committees to divide up research and formulate recommendations.) Time spent in the work group added another 450 hours to their collective contribution to this project – an average of over 46 hours per member. Additionally, DCF staff contributed more than 900 hours to the process. This included group meeting planning, facilitation, research, committee facilitation, note-taking and report-writing. DCF also managed a web site that contained all the data, reports, meeting minutes and agendas and other relevant information that was shared with the work group. The Interim Report (Appendix A) provides the link to that site. Appendix B describes the substantial volume of data, reports, surveys, first-person accounts, and other material used in this process.

*Financial investments needed:* In its final meeting the work group reviewed the results of their on-line voting process, and expressed strong support for the strategies that emerged as the top priorities. Eighteen of the top 25 recommendations will require new funding. The work group identified these priorities, particularly the education and training related ones, as necessary financial investments. The work group's message to the legislature is clear: A prosperous Vermont future is possible only if Reach Up participants become skilled workers; the investments needed to make that happen are critical.

The work group discussed the pros and cons of submitting a report that prioritizes program changes requiring significant financial investments. While they acknowledged the current fiscal and political winds currently blowing are against increased funding for state programs, the members decided they would identify priorities based on what is best for program participants and the future of Vermont. Most of the recommendations that rose to the top of the work group's priority list have a price tag associated with them, and 60 percent of the work group's list of potential program changes (38 of 63) will require financial investments to implement. Most

members indicated their belief that investing in these recommendations will result in long-term program savings and improved participant outcomes.

*The recommendations for program improvements:* As described in the Interim Report, the work group conducted most of its research and analysis within its five committees. During three meetings in October each committee shared its set of recommendations for program improvements with the full work group, resulting in a discussion and consideration of 57 ideas from committees. Some of the ideas that emerged resembled those from other committees. Six additional recommendations from individual work group members were added to the list. In the last week of October all 63 recommendations were sent to work group members in a Survey Monkey instrument. Scores were assigned to each one based on the collective responses. Demonstrating their commitment to the process, 95 percent of the work group members participated in the Survey Monkey process, despite having less than 24 hours to do so. The full list of recommendations are included in Part V of this report.

*Priorities:* The top priorities that emerged from the work group's process can be clustered into these four categories.

### **1. Increase staffing capacity**

The need for increased staffing and reduced caseloads was, by far, the most commonly discussed program challenge in the full work group meetings. This issue also permeated conversation in all five committees. The work group concluded that unless more staff resources are forthcoming, the program can not be successful managing the workload (62% increase between 2008 and 2013) and achieving the program purposes (33 V.S.A. Ch. 11. §1102).

Six of the top 10 recommendations relate to increasing staffing capacity. The top priority was specific to increasing substance abuse and mental health case management statewide. Right behind that recommendation was the need for more Economic Services and VocRehabVT (and its contractors) case managers to reduce the heavy caseload sizes that impede the ability of workers to help families successfully graduate from the program. Overwhelmingly, the most commonly discussed issue throughout the four months together was the variety of participant outcomes that would improve if the program had more staffing resources.

### **2. Financial stability**

The work group gave enthusiastic support to enhancing a set of services and programs specifically designed to help participants gain greater financial stability and move successfully to paid employment. One troubling indicator the group would like to impact is the high incidence of participants moving in and out of the program (about one-third are in this cohort). The work group's top recommendations in the area of financial stability will create opportunities to improve participants' financial decision making as well as their credit and debt management skills, through a combination of financial coaching and asset development services.

A second set of related recommendations focused on mitigating the effects of the benefits cliff. Two proposals receiving significant support emerged from the work group. Each offers somewhat different income disregard formulas, yet both would allow Reach Up participants to keep more of their earnings as they transition out of the program. Participants will be better off in the short run with higher income levels, and they will be less likely to return to the program as they slowly build their economic resources and increase their financial stability.

### **3. Education first**

Research indicates that earning potential is significantly impacted by educational level. Under the current program, once a Reach Up participant reaches the age of twenty, work participation is prioritized over the completion of a high school diploma. About 27 percent of long-term program participants (60 or more months) have not completed high school. A mother's education level is also a significant determinant of her children's educational success. The long-term welfare patterns in Vermont, as revealed in the Plumeau-Black 2013 study, indicate that 56 percent of adult recipients in 2012 were in Reach Up as a child. The work group's concern over the level of generational poverty is one reason it prioritized the attainment of educational goals. The work group supports elimination of the education deferment and making hours spent pursuing a high school diploma as allowable toward the work requirement. It also supports "stopping the 60 month clock," while a participant is engaged in education related activities, within some parameters.

### **4. Housing stability**

To obtain a picture of housing instability among Reach Up families, the work group looked at participant survey data. Two-hundred and seventy-eight household files of families who have been in the Reach Up program for more than 60 months were thoroughly reviewed by program staff around the state. Of those households:

- Forty-four percent were homeless at some point while receiving Reach Up, and
- Thirty-eight percent moved two or more times in the previous 24 months.

Housing instability impacts Reach Up participants, perhaps most especially the children, in significant ways. Supporting a family's housing stability can help support children's success, and it makes it possible for a family to focus on health, education and other important goals.

The work group looked at the success of the Vermont Rental Subsidy Program and developed a recommendation to expand that program, or something like it, to assure housing stability for some of the program's highest risk families with the most complex needs. (Currently 80 percent of the rental subsidy program participants are also in the Reach Up program.)

*The report:* The report that follows elaborates on the work group's exploration and conclusions regarding the legislatively mandated tasks. Included in this report is a Reach Up program historical overview; a short discussion of the significant and underlying issues that permeated the work group's discussions; a description of the results of committee and work group discussion for each of the 11 legislatively mandated tasks; the full set of recommendations; and a brief section discussing the work group's Results-Based Accountability-informed thinking about program outcomes Reach Up is designed to achieve. The Appendices provide supplemental information such as the work group's Interim Report, a compendium of the resources the group used for its work, and a spreadsheet detailing the recommendations that require statutory changes, funding and IT changes.

## **Part III History of Reach Up**

The Reach Up program is Vermont's temporary assistance program ("TANF") for needy families. The purpose of Reach Up is to help families achieve self-sufficiency, encourage economic independence, support parental responsibility, and ensure the well-being and nurturing of children. Reach Up was created in response to changes in federal law to the nation's welfare programs.

### **Aid to Needy Families with Dependent Children (AFDC)**

- Cash assistance to families in poverty began in 1935 when AFDC was enacted as part of the Social Security Act
- Funded with federal and state dollars
- Entitlement program with minimal reciprocal responsibilities

### **Personal Responsibility and Work Opportunity Act (PRWORA) of 1996**

- New federal law created Temporary Aid for Needy Families (TANF) Block Grant
- Ended AFDC's open-ended entitlement status
- Limited federal cash assistance to a maximum of 60 months
- Imposed mandatory work requirements and sanction policy

### **Vermont's Demonstration Project (1994-2001)**

- Vermont lead its own welfare reform process as part a federal demonstration project
- Divided the existing welfare caseload into three groups and provided incentives and disincentives

### **Reach Up created -2001 (ACT 147)**

- No time limits on benefits (funded with state dollars after federal funds exhausted)
- Graduated sanctions and no full family sanction
- Postsecondary education program was created

### **Deficit Reduction Act of 2005 (DRA)**

- Federal law that reauthorized TANF (signed into law in 2006)
- Base year for the case load reduction credit changed from 1995 to 2005 (putting Vermont at risk of not meeting the work participation rate (WPR))
- Brought families in separate state programs into the work participation rates
- Determined what activities counted as work activities and how states are to verify reported hours of work

### **Act 30 – Vermont's answer to the DRA (May 2007)**

- Created Reach First Diversion Program
- Created solely state funded programs (SSFP) as part of strategies to meet TANF requirements.

### **Reach Ahead program created (2009)**

- Food assistance, work supports, and services for up to a year for families with paid employment leaving the Reach Up or PSE programs

### **Reach Up (Amended) (2013)**

- 60-month time limit for benefits established (with exceptions for families meeting work requirements or for some families exempt from, or deferred from work requirements).
- Mandatory case reviews at 18- and 36-months.

## Part IV Underlying and Pervasive Issues

Several significant issues permeated the work group's discussions and warrant separate discussion:

- The impact for program participants of having experienced childhood trauma and living in chronic poverty,
- The need for more effective service integration, and
- The program's inadequate information technology (IT) and data systems.

### *Impact of experiencing childhood trauma and economic deprivation:*

Many work group members came to the discussions with a deep understanding of the impact of trauma on many of Vermont's most vulnerable families. The presentation in September with Dr. LaDonna Pavetti from the Center on Budget and Policy Priorities helped the group frame its thinking in terms of the supports needed to help people with histories of trauma to overcome the barriers that may stand in the way of a successful transition to economic success.

One key point that the work group repeatedly came back to was the combined impact that trauma and the stress of living with chronic poverty can have on an adult's executive functioning. Neurobiological research demonstrates that these toxic stressors can affect the part of the brain that supports our ability to manage the many demands of daily life, including some behaviors expected of Reach Up participants (such as being on time for meetings; following through on commitments described in family development plans; and scheduling and attending children's medical appointments).

Dr. Pavetti described the need to create "scaffolding" for participants to overcome the stressors that interfere with our ability to plan and execute more consistently and effectively. She also highlighted some common elements of successful programs that apply the scaffolding concept, such as: setting individualized and achievable goals, use of coaching techniques, small caseloads, well-trained staff, and well-defined and highly focused interventions.

Living in chronic economic deprivation can compound the impact of childhood trauma on an adult's executive functioning. Dr. Pavetti shared emerging science that shows that those living in poverty may face enormous barriers that can be compared to working with "limited bandwidth" – i.e., the stress of living in poverty can physiologically impact one's ability to consistently comply with the requirements of various programs intended to help. While childhood trauma often has lasting effects on an adult's thought processes and behavior, the added challenges to the executive function resulting from toxic stress that can be associated with living in poverty need to be taken into consideration in every Reach Up program policy decision. Without the right supports, at the right time and in the right amount, she argued (and the work group agreed), building a program on the philosophical foundation of personal responsibility will not produce positive long-term outcomes.

### *Collaboration and Integration:*

Reach Up relies on community level and state partners to support its participants to reach their goals. Such collaboration takes time. It is time consuming to participate in team meetings to share relevant information and build collaborative plans with families served by multiple state and community partners. Integration also requires a robust and reliable system of services – one that is resourced adequately.



To reduce the prevalence of second-generation welfare dependence – a concern that emerged during the discussion with Leslie Plumeau-Black and Robert McIntyre about their August 2013 study on long-term welfare dependence – program staff need to focus on two critical areas:

- Supporting the development of parenting skills, and knowledge to assure the children’s developmental needs are being met, and
- Building relationships with the children in Reach Up, and supporting the family to engage in activities that nurture the children’s safety and well-being.

Complex family systems can only be served effectively within a highly integrated service system. Without integration, program participants are forced to navigate confusing and sometimes competing plans; turf battles define service delivery; funding squabbles preclude comprehensive problem solving; and valuable time is wasted duplicating efforts, or worse, leaving service gaps unfilled. The work group discussed treatment courts as a “best practice” model of intensive and comprehensive service integration and worthy of consideration for replication in non-criminal contexts.

*Information technology:*

The work group members frequently shared their frustration at the limitations posed by the program’s antiquated and ineffectual case management and data systems. The work group meetings were consistently attended by program staff with deep and broad knowledge of the program’s IT systems, and these staff helped the work group understand the limitations of the decades-old system. Technology limitations determined which data the group could access to conduct its analysis of the program, and in some cases influenced program improvements they were considering. The work group also learned that many of their priority recommendations (and a full third of their total – 20 of the 63) require IT changes that may not be possible in the short-term.

In addition to the challenges of an outdated technology system, other policy changes are dominating IT improvement efforts. The current health exchange integration work is precluding changes to the system until that work is completed. Changes that might otherwise be feasible are not an option because the IT system cannot be changed until the health care reform efforts are fully functional. Some estimates have indicated it will be 2015 before any significant software changes will be implemented.

The consequences of this situation are significant. IT limitations serve as a barrier to:

- Effective collaboration within the Agency of Human Services and community partners,
- Automatic enrollment into Reach Ahead when a family leaves Reach Up for employment, which accomplishes two important objectives: 1) mitigating the benefits cliff for families, and 2) increasing the workforce participation rate (WRP) and therefore reducing the expenditure of state funds required to bring the WPR to the federally mandated level, and
- Triaging and prioritizing of caseloads, and identifying barriers and emerging issues resulting in more efficient and effective service delivery.

In addition to working together and building relationships – necessary foundations for collaboration – IT improvements are essential to effective service integration. Many Reach Up families have children with significant health and developmental needs. Those families are not well served by providers who cannot share information across data systems, do not work collaboratively toward mutual goals, and who do not understand the full context and needs of the family’s members.

## Part V Legislative Tasks Narrative

### *Comments on the process:*

The 11 legislative tasks detailed in Act 50, 33 V.S.A. §E.323.6, were divided up among the five policy work group committees. Each committee was comprised of four to six work group members, and each one was asked to conduct its own research on the task(s) it was assigned and come back to the work group with a list of resources they referenced, their key insights and learning and a set of prioritized recommendations for consideration by the full work group.

The committees were invited to spend as much time as they needed researching their tasks, and most committees met several times – both in person and by phone – outside of the work group’s scheduled meetings. Because of the complexity and scope of most of the tasks, and the time the committees needed to do their investigation and develop recommendations, the full work group lacked sufficient time to reflect on each committee’s work (despite the fact the work group met 10 times for three hours each over a four month period – including weekly meetings during the month of October). Refer to the Interim Report in Appendix A for a detailed description of the work group structure and meeting process.

*Voting process:* A simple voting process was developed to facilitate the selection of priorities. All 63 recommendations that emerged from the committees (and a few from individual members) were entered into Survey Monkey and sent out to the full work group. Members were asked to provide one of four responses for each separate recommendation:

- important – one point
- very important – two points
- most important – three points
- don’t know/need more information – zero points.

While some recommendations were similar to others, each separate one was voted on. Each recommendation received a score (the average/mean of each idea ranged from a low of 1.06 to a high of 2.39), and scores that exceeded 1.725 (the mean score of the mean) were given top priority status. It would be inaccurate to conclude all the recommendations contained in this report are “priority” status received the full endorsement of every work group member, it was clear from both the full work group and individual committee level dialogue that the recommendations listed as recommendations had widespread and enthusiastic support.

*Priority recommendations:* The work group process provided the opportunity for committees to develop thoughtful recommendations, but not all those recommendations received the benefit of a full work group discussion. Some members expressed a need for additional time to conduct a more thorough vetting of each of the 63 recommendations that came out of the committee process and to collate and synthesize. For this reason, ***the recommendations that received clear and unequivocal work group support are highlighted in blue boxes on the following pages.*** The other recommendations, while they were not objected to, were discussed less thoroughly by the full work group because of time constraints. Those recommendations are listed as “related recommendations.” Among the 63 recommendations many were variations on a theme, and with more time, the work group may have been able to consolidate their strategies and prioritize further. In the following section of this report similar recommendations are clustered together to provide the reader with a sense of how they relate to one another.

The narrative in this section details the sources of information used by each committee to examine each legislatively defined task (e.g., surveys, articles, interviews, reports), the committee-level thinking that lies behind the recommendations, and the recommendations that received top scores in the prioritizing process. In an effort to bring together similar and related recommendations, even those strategies not ranked “priority” are included if it has implications for that task.

Under each legislative task all related strategies are included, including some previously mentioned under another task. As a result some recommendations are repeated, in some cases multiple times. This duplication is intended to demonstrate that the recommendations that appear repeatedly, should they be implemented, could result in a significant and broad impact on participant outcomes.

**1) Assess the effectiveness of the Reach Up program in meeting the purposes outlined in 33 V.S.A. § 1102.**

The work group methodically reviewed the statutory list of purposes in 33 V.S.A. § 1102 (see Table below) and concluded that these ambitious and comprehensive program purposes continue to be relevant and worthwhile. At the same time, the group acknowledged that if it were to assign a grade to the program’s performance, the program scores somewhere around 45 out of 100. This poor performance is primarily the consequence of the inadequate staffing capacity (high caseload sizes), and can also be attributed to other program features (such as the income disregard policy), and which are described throughout the pages that follow.

**Reach Up Purposes in 33 V.S.A. § 1102**

(1) to assist families, recognizing individual and unique characteristics, to obtain the opportunities and skills necessary for self-sufficiency.
(2) to encourage economic independence by removing barriers and disincentives to work and providing positive incentives to work.
(3) to support parental nurturing.
(4) to support parental responsibility and positive parental role models, both custodial and noncustodial.
(5) to measure the success of the system by what is best for children.
(6) to improve the well-being of children by providing for their immediate basic needs, including food, housing and clothing.
(7) to respect the dignity of individuals and families receiving assistance by providing employment, education, and other services through social service delivery systems available to all Vermont residents and by encouraging the private sector to integrate families receiving assistance into the mainstream of the employment market.
(8) to recognize the challenges facing many families receiving assistance by minimizing structural financial disincentives to increased earnings and the abrupt termination of assistance before parents are fully integrated into the employment market.
(9) to conserve state public financial resources by operating the system of aid in a manner that is efficient and avoids federal fiscal sanctions.

*Resources Leveraged* – A significant number of reports, surveys and other resources were used for this analysis and informed the committee’s conclusions on this task. Nine former Reach Up participants were interviewed to learn more about which components of the program worked well for them and what changes they would recommend to improve it. Three hundred sixty-seven current Reach Up participants from around the state were surveyed about their experiences in the program, and that information specifically informed the conclusions regarding child well-being and parental responsibility and nurturing. Fifty-five case managers from around the state responded to a survey seeking information about education and training opportunities and barriers. The 2008 “Leavers” study provided valuable information about the impact of education on economic stability for Reach Up “leavers” while the August 2013 report on long-term welfare recipients helped the committee understanding more about the characteristics of long term Reach Up participant households.

*Family and Parenting Supports* – According to the participant survey 30 percent of program participants have been involved with Family Services, and most participants don’t believe the Reach Up program helps with parental nurturing. Reach Up lacks flexibility (due to state and federal mandates) and staffing capacity to support a family’s involvement in parenting related activities when they conflict or compete with required Reach Up employment goal activities. The group also learned that stronger communication between Economic Services and Family Services is essential to assure a collaborative and mutually supportive approach with families engaged with both Divisions. The Reach Up family development plan (FDP – the tool that guides the family’s activities and is created through a collaborative process between the case manager and the family) is currently

done in isolation (in most districts) from the plan created in the Family Services Division. Since this was discussed in the work group, the two Divisions are meeting to find ways to better integrate their work better.

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*“Don't take everything away at once. Take money and case management away gradually so your don't feel so lost and you have somebody to help you if things don't go good. Lower the case loads so your case manager has time to work with you and make things go faster.” Former Reach Up participant*

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*Education* – The committee brought strategies for consideration to the work group informed by their collective belief that education needs the same emphasis as employment – and the work group agreed. Many strategies emerged throughout the four months to advance education related goals, including suggestions to change the program’s education policy. Examples offered to advance the education related goals included:

- Creating a pre-PSE program that would help prepare Reach Up participants for college, and
- Incentivizing participating in education programs.

A person’s education level has an important influence on earnings, and the work group looked at research that demonstrates the significant impact of a mother’s education level on the children’s educational attainment. Not only does encouraging educational achievement pay off by increasing current income for the family, it has the added benefit of impacting the trajectory for children and increasing their chances of attaining financial success as adults.

*Removing barriers and incentivizing work* – The committee identified several recommendations for helping participants overcome transportation and child care barriers, and for mitigating the benefits cliff that occurs when Reach Up participants transition into the work force. The committee recognized that while most families remain in the program for less than two years, many families (up to a third) leave and return several times over their careers. This “churn” is hard on families, creates more work for staff, and is indicative of the challenges lower income families experience sustaining employment.

Several specific recommendations stand out to better incentivize work and respond to the program participants’ feedback about where the program needs improvements related to overcoming barriers to success.

1. Increase the income disregard allowing families to keep more of their earnings as they transition out of Reach Up,
2. Increase the program housing allowance or provide more rental subsidies,
3. Increase Reach Ahead from a 12 to 18 month program, and
4. Improve access to affordable transportation.

The work group selected the following recommendations as most urgent, and these, if implemented, would help the program better achieve the purposes described in 33 V.S.A. §1102.

### **Priority Recommendations:**

#### **Case Management Related:**

1. Expand substance abuse/mental health case managers to all district offices.
2. Increase general case managers, in Economic Services and in the VocRehabVT contract, to the level that supports an immediate caseload maximum of 60, and create a plan to achieve a maximum caseload of 40.

#### **Financial and Housing Stability:**

1. Integrate financial empowerment program into Reach Up including: financial coaching, credit, banking and individual development account components.
2. Expand Vt. Rental Subsidy Program for Reach Up families.
3. Increase the income disregard.

#### **Education:**

1. Eliminate the education deferment. Allow any hours spent pursuing a high school credential to count toward the work requirement. Develop guidelines around the length of time education can be used to meet their (state) work requirement.
2. Support the goals of an individual to attain a high school diploma, post-secondary education (PSE) credential, professional certification, or vocational education/training program. Incentivize by “stopping the clock” and support this by creating a schedule for a diverse set of education credentials. Use the PSE model as a framework in terms of time allowed.

Five additional and related priority recommendations emphasized the need for increased staffing capacity.

#### **Family centered approach:**

- a. Facilitate a “Family Engagement Model” of interaction – working with the whole family.
- b. Allow case managers the time to actively engage with the participant and the participant’s family and allow time for appropriate collaboration and teaming with the family and the family’s other service providers.
- c. Increase focus of the Reach-Up program on child health and wellbeing by creating formal MOUs with relevant AHS programs such as Children’s Integrated Services and WIC that ensure appropriate developmental screening, assessment and service coordination for children on Reach Up and their families.

#### **Strategic support**

- a. Create an opportunity to provide more individualized support to participants.

#### **Related Recommendations:**

1. Simplify the conciliation/sanction process by eliminating the “good cause” letter process and move straight to a conciliation or sanction meeting. If good cause is established at this time, the conciliation or sanction can be dropped.
2. Enroll Reach Up “leavers” automatically into the Reach Ahead program with the ability to opt out if the Reach Up leaver chooses.
3. Increase the time a participant can be on Reach Ahead from 12 to 18 months and provide a food benefit of 100 dollars for the first six months and 50 dollars for the following 12 months.

**2) Identify programmatic strengths or weaknesses in the Reach Up program, including a review of and recommendations pertaining to the state’s existing sanction policies, work requirements for two-parent families, and deferment standards to ensure statewide consistency in application.**

The committee working on this task expanded this task by adding an assessment of the strengths and weaknesses of the post-secondary education program, and a systematic use of incentives. There were many resources used to conduct these assessments. The participant survey and the case file review of cases that are 60 plus months in the program, the 2008 and 2011 “Leavers” studies, data from facilitated dialogue with the Reach Up Team Leaders, the relevant statutes, program reports, and a wide assortment of literature on the topics were reviewed and discussed. Below are the conclusions the committee came to regarding the strengths and weaknesses of each program component.

A. *Sanction policies:* The strengths of the current sanction policies include:

- It is fair and thorough,
- Participants are provided review and appeal processes,
- Sixty-nine percent of participants report that sanctions motivate them to work on their FDPs, and
- Only 12 percent report their sanction makes it hard for them to continue to work with their case manager.

These two sanction weaknesses stood out:

- The large size of the caseloads make it challenging for case managers to provide the support complex families need and therefore they end up on sanction, and
- The inadequacy of two conciliations in a five-year period.

***Priority Recommendation:***

Simplify the conciliation/sanction process by eliminating the “good cause” letter process and move straight to the conciliation or sanction meeting. If good cause is established at this time, the conciliation or sanction can be dropped.

**Related Recommendations:**

1. Increase number of conciliations available to each family to at least one per year.
2. Create a process to withhold money lost due to sanction. After someone has cured her/his sanction, s/he has the opportunity to earn it back.
3. Create two types of sanction: 1) keep the current fiscal sanction for not meeting the work requirement and 2) create a non-fiscal sanction for not complying with FDP activities. The non-fiscal sanction could put the benefit on hold each month until they meet with their case manager. Require rent to be paid directly to the landlord, and continue this practice until the sanction is “cured”.
4. Create a centralized case review unit to encourage cross-fertilization across districts.
5. Commission a longer study on the use of incentives as an alternative to sanctions.

B. *Post-secondary education program:* This program has significant strengths that can be built on. Since Fall 2011, 47 students have graduated and 13 are employed full-time. The 2008 “Leavers Study” shows the median income for PSE graduates is higher than other Reach Up graduates. The application process thoroughly

evaluates a student's readiness for college and a career post-graduation. Students have five years to complete a bachelor's degree and three years to complete an associate's degree. The program allows for up to an additional two semesters due to an approved leave of absence or the need to modify the completion schedule for good cause.

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*"Someday I hope I can make people as happy as you make me! Not to sound cheesy - but I would never be where I am today without the help from you and the state. Seriously, you guys have been so wonderful to me!*

*Thank you thank you!" current PSE participant*

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Among the identified weaknesses of the current post-secondary education program are:

- Post-secondary education students with limited or no work history struggle to find employment in their career field upon graduation;
- Principal earning parent households (two adults both capable of working full-time) can't get into the program unless the principal earning parent is working 40 hours of paid employment, prohibiting many of those households from benefiting from the program; and
- Generally speaking, case managers do not actively talk about the post-secondary education program with participants unless they are enrolled in college or state they are contemplating it.

**Related Recommendations:**

1. Create a standard message about PSE to all Reach Up participants.
2. Encourage and incentivize internships, and develop a relationship with programs that help connect students to internships (to help participants apply classroom learning).
3. Remove the requirement for principal earning parents to meet the 40-hour work requirement in order to qualify for post-secondary education and require the second parent to meet the 20 or 30-hour work requirement (depending on the age of the youngest child).

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C. *Deferment policies:* The current deferment policies contribute positively to program participants' goal achievement in many ways. They allow the work requirement to be deferred or modified because the participant is experiencing a significant barrier to work. Clients with significant transportation and child care issues can be deferred until they are able to find adequate services. Clients are able to heal from the effects of domestic violence before having to meet the work requirement. Parents are given up to 24 months with young children, allowing time to engage in parenting opportunities, classes, career exploration and assessments. Participants have time to build a strong relationship with her/his Reach Up case manager and connect to other resources.

The work group identified numerous weaknesses of the current deferment policies. Medical providers are not properly educated about the Reach Up program and don't understand the implications of the forms they complete. The Department does not have an organized system of outreach to the medical community. Parents at home with young children may not receive quality early childhood assistance and socialization. These supports are especially important when the next generation is considered. According to the review of case files for those in the program for more than 60 months, 49% are experiencing depression and 40% were known to be experiencing anxiety. If untreated, these mental health issues can have a long-lasting impact on the children.



When participants are on a health related deferment, staff do not have time to assure treatment follow-through. For those with identified health issues, 51% are not following the recommendations of the medical provider for all their conditions. Of those with deferments for any reason, the average number of months on long term medical deferments (greater than three months) was more than three times longer than for any other reason. Refer to Appendix F for details pulled from the case files of long-term participants.

The education deferment option is not practical as very few people can qualify. The current education deferment is only available to someone who is enrolled in at least 25 hours of education, and most high school completion and GED options do not have capacity for students to meet for more than a few hours per week. Additionally, participants can only use the education deferment if they can graduate within six months. Young parents require time to finish their education and obtain job training while also parenting a young child. Some expressed a concern that starting the 60-month time clock when a parent turns 18 years old denies the importance of the developmental needs of that age group.

One key recommendation to come of the committee discussion is to treat GED or high school credential as a countable core activity (right now it only counts as a non-core activity), allowing even a few hours per week dedicated to high school completion to count toward the work requirement hours. This would technically not count for the federal work requirement because they do not count completion of a secondary school program as a core requirement for parents age 20 and older. Vermont could choose to allow participants to count their hours and remain in good standing with Reach Up (even though they would not count in the federal rate).

***Priority Recommendations:***

1. Increase focus of the Reach-Up program on child health and wellbeing by creating formal MOUs with relevant Agency of Human Services programs such as Children’s Integrated Services and WIC to ensure appropriate developmental screening, assessment and service coordination for children on Reach Up and their families.
2. Eliminate the education deferment. Allow any hours spent pursuing a high school credential to count toward the work requirement (recognizing this will not comport with the federal work requirements), as long as they are following the recommended education plan. Develop guidelines that included the length of time education can be used to meet the work requirement.

**Related Recommendation:**

1. Reexamine the legislature’s 2013 decision to start the 60-month time limit clock when a parent is 18 years old.
- D. Two-parent work requirements:* Work requirements are 20, 30, or 40 hours a week depending on the type of family and, for single parents, whether or not all of their children are six and older. The rules regarding “principal-earner parent” households (PEPs) – those households where two parents both capable of working full-time – allow one parent to stay home to care for the children while the other parent works. This works for some households, but not for most.

Among the challenges of implementing the Principal Earning Parent (PEP) household rules is their complexity. Case managers have a hard time explaining them and participants struggle to follow them. Of particular complexity are the rules around sharing a 40 hour work week. In a two-parent household where both parents “are capable of working” full time PEP household rules apply and the family’s work requirement is 40 hours. In two-parent households where one or both are *not* capable of working full-time, the able-to-work adult has a 30-hour work requirement. Even if the second adult in this household is able to work some number of hours, that

adult has no work requirement. This means that in a two-parent household where one parent is able to work 30 hours and the other can work 20, the work requirement is still 30 hours per week despite the fact that they are able to work a combined 50 hours per week.

In the above example, the household where one or both parent are *not* able to work full-time may be able to work at least as many hours as the “Principal Earning Parent” household, but the work requirement is 10 hours less. If each parent was a single parent, their combined work requirement could exceed 50 hours, but as a two-parent household, they cannot exceed 40 hours. For two-parent families where both are only able to work part-time, they would participate in countable activities for the number of hours they are able to, up to 30 hours combined or less, if that is all that they are able – but never more than a total of 30 hours.

Additionally, the caretaker parent in a PEP household does not have a work requirement while a single parent does. In households with low-wage earners, it generally takes two working adults to earn enough to pay for basic living expenses. When couples break up, caretaker parents are left without the skills or experience to quickly move into employment. The 2008 “Leavers” study showed that PEP households return to Reach Up at the same rate as single parent households.

A final consideration is related to domestic violence. In PEP households where domestic violence is present, it is possible for a partner to require the other to stay home with the children or to be the one to meet the work requirement. The principal earning parent household rules can, and often does, reinforce an unhealthy power dynamic.

**Related Recommendations:**

1. Treat each adult separately, regardless if a two-parent or a single parent household. This removes the need for complex rules around sharing the work requirement, removes the power differential in some two-parent households and acknowledges it generally requires two incomes to meet the economic needs of a family.
  - a. Make the work requirement 30 hours per adult if there is a child six or older in the household.
  - b. Make the work requirement 20 hours per adult if there is a child under the age of six in the household.

*E. Incentive policies:* The Reach Up program does not currently employ comprehensive and systematic incentive practices. The program offers participants support service funds to assist with expenses related to the family development plan goals. According to the Reach Up team leaders many participants have come to view these funds as an entitlement – it’s part of their annual budget. Incentives, also referred to as contingency management in the addictions field, are research-proven behavioral modification processes that support program participants to follow through on their treatment plans. The committee reviewed the literature on contingency management and the work group discussed their recommendations, and agreed that more research is needed on the systematic use of incentives in Reach Up.

**Related Recommendations:**

1. Conduct a study on the use of incentives in the Reach Up program.
2. Separate the incentives budget from the support services budget, as a separate line item.

### 3) Assess the effectiveness of the State and providers under contract with the state in administering the Reach Up program.

The committee is committed that research on this task would like to see more flexibility and autonomy for decision-making at the local level. This requires a high level of staff competence. A more robust professional development plan needs to be created and state and contractor staff need to be better supported. More training on customer service skills is needed. Among the principal concerns related to assessing the effectiveness of service delivery is the caseload sizes. The work group reiterated throughout the four-month process the challenges large caseloads present for both staff at the state level and among contractors. Many of the more complex and high need families do not receive the time and attention they need (monthly visits are not always possible) to develop trusting relationships with their case managers.

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*"Reach Up helped me focus on my short term and long term goals. They were MY goals but my case manager helped me figure out if they were realistic." Former Reach Up participant*

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These conclusions are derived from case manager testimony and research into other states' experiences and best practices. The committee recognized several program and Reach Up program practices that impact and impede effective casework. Among these practices that impact both state and contracted case managers is the complex and time consuming sanction process and opening and closing of cases.

#### **Related Recommendations:**

1. Match participants with case managers with the best skill set to support the participant, and
2. To the greatest extent possible regard each Reach Up family's strengths and needs individually and provide staff greater autonomy and flexibility to support each family.

**4) Identify the average caseload per case manager and assess the efficacy of case management services provided to Reach Up participants, including the training provided to case managers and requisite skills for performing case management responsibilities.**

As discussed above and will be mentioned repeatedly in this document, the work group believes strongly that the average caseloads for case managers across the state are too high. The case management staff have seen a 62 percent increase in caseload sizes over the past five years, and some smaller district staff are managing over 100 participant households. Even with those realities, the average caseload numbers under-represent the true workload because the caseload averages provide a snapshot – a moment in time – and do not reflect the work that goes into the significant opening and closing processes for hundreds of cases statewide each month.

Also discussed in the committee working on this issue was DCF’s periodic past redeployment of Reach Up case managers to eligibility work to help reduce the application back-log. This is unhelpful to an already over-burdened Reach Up workforce. As mentioned previously, one result of the high caseloads is that case managers are unable to meet even monthly with most families, making it tough to form a close working relationship.

In order to be successful in the program participants need to be matched with case managers who possess the appropriate skills to help participants move into self-sufficiency. Workforce development concerns arose within the context of this task, and those are reflected below.

***Priority Recommendations:***

1. Increase staffing to reduce caseloads; cap caseloads at 60 immediately, with a goal of 40 per case manager.
2. Develop and implement a specialized case management or mentoring unit to work with long-term and high barrier participants.

**Related Recommendations:**

**Professional Development:**

1. Require higher level of education (associate’s or bachelor’s degree) or develop a tiered case management system (e.g., case managers assigned “hard” cases should be required to possess higher level of education).
2. Provide additional training or incorporate into existing training a focus on mentoring and fostering personal relationships, and empowering case managers to be creative.
3. Provide customer service and other training so case managers can devote more time and resources to helping participating families problem-solve.
4. Create flexibility within program so case managers can “see a problem and fix it”. Give decision-making authority to local Reach Up staff.
5. Change the sanction policy from a monetary focus to a supportive intervention or restorative justice framework.
6. Eliminate the asset tests for program eligibility.

**5) Evaluate whether the skills of the Department of Labor’s Reach Up case managers would be better used in providing job placement and workforce development services to Reach Up participants.**

The committee responsible for researching this task looked at training requirements, job descriptions, the Vermont Department of Labor (VDOL) and Creative Workforce Solutions (CWS) data, information from other states, and engaged in discussions with program staff and community partners. Many insights were gleaned from their research. The recommendations that emerged from this committee’s research, except for the recommendation to increase general case management capacity, were not given high priority by the full work group. The group supported the recommendation coming out of this committee that caseload caps make sense in order to deliver effective services to participants and employers.

In addition to the caseload size issue, a number of important insights were shared with the work group that can inform future policy decisions. One set of recommendations focuses on the need to individualize services as much as possible. If participants are to be successful in the program they need to be matched with case managers who possess the appropriate skills to help participants move into self-sufficiency. Consistent with one of the program purpose statements, the recommendations that emerged within the context of this task are premised on the belief that all families are different, and make progress at different rates. Countable activities should recognize each family’s unique challenges, and the family development plans need to be crafted accordingly.

TANF recipients need and do use labor exchange services at VDOL. VDOL believes it can be more efficacious if Reach First participants are placed with them more quickly. Over 100 Reach Up participants received intensive services under the Workforce Investment Act from VDOL in the past year, and more than 50 TANF youth accessed employment services. A more efficient referral process to VDOL could improve these numbers. Another action that could improve VDOL’s utility is to improve communication and strengthen the partnership between Reach Up case managers and VDOL staff.

Successful and sustainable movement towards self-sufficiency requires understanding each families’ dynamics coupled with a strategy to resolve internal issues that are barriers to self-sufficiency. It is critical that program staff fully understand what expectations employers have of their employees so that a seamless move towards self-sufficiency through employment is achieved. VDOL is best positioned to support this transition work.

**Related Recommendations:**

1. Individuals who are deemed “job ready” should be engaged with VDOL Reach Up case managers within the first few weeks.
2. Improve utilization and maximize engagement for VDOL Reach Up staff: Engage VDOL staff quickly with Reach First participants, increase engagement of Reach Up participants in Wagner-Pyser and Workforce Investment Act (WIA) activities through existing partnerships.

## **6) Examine the Reach Up program's alignment with the Agency of Human Services' Integrated Family Services initiative.**

The work group committee tasked with assessing how to align Integrated Family Services (IFS) and Children's Integrated Services (CIS) with Reach Up interviewed leadership from both initiatives. In the final assessment both IFS and CIS initiatives align well with the Reach Up model of utilizing partner organizations to serve the more complex and high need Reach Up participants. IFS has been piloted in Addison County for the past year and Reach Up has not had much of a role in its development. The plan is to roll it out in Franklin and Grand Isle Counties in the next year, and the committee believes strongly that Reach Up needs to be more involved in the process.

CIS is imbedded in the Parent Child Centers (PCCs), and all the PCCs except Addison County have Reach Up case managers in their organizations. PCC case managers are aware of CIS supports, but not all staff on each Reach Up team is. More work needs to be done to get everyone on all the local Reach Up teams fully invested in working with the local integrated services initiatives. This is a communication challenge and has staffing capacity implications as staff need time to attend meetings and build inter-agency relationships.

The committee concluded that integrating services for complex families has been a decade's long goal, but is still far from being realized. All families and programs would benefit if this were made a high priority. Technology challenges were pervasive in the discussion about service integration. Money spent on IT enhancement would be a great short-term investment with long-term benefits. Separate, "siloeed" funding streams are also a challenge to successful integration.

### **Related Recommendations:**

1. Reach Up leadership needs to be at the table when IFS is rolled out in Franklin/Grand Isle. There is tremendous potential for Reach Up to add value to this process as Reach Up families populate many other systems.
2. Information technology fixes are critical so that families served in multiple programs can be easily identified. Giving the Field Services Directors oversight over the local roll-out is critical as this position has the broadest perspective of both Agency and community non-profits in the area. This will help assure all stakeholders are involved from the beginning of their work with families.

## 7) Assess the availability and adequacy of education and training programs for Reach Up participants.

The education and training needs and the available resources to meet those needs was a thoroughly discussed topic. An assessment was conducted to learn which programs local case managers send participants to, and where there are effective training programs with potential for replication. Participants were also asked if they used their training program to secure employment. The committee discovered that there is great geographic disparity in terms of programs available for education and training. In most cases, employed participants did not attribute their training program to employment. Many program participants had taken advantage of training opportunities but remained unemployed. Of the current participants who participated in the survey, only 16 percent of those who indicated they participated in vocational training or education program got a job as a direct result of their training. A full 70 percent did not have a job at all at the time of the survey.

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*"I was referred to an outside agency for getting a job and found myself being pressed into the hospitality industry because there was openings. When I went back to my case manager to ask her advice, she said I should follow my passion instead. So I did and am now working in a five star childcare facility. I am off of Reach Up and very happy." Former Reach Up participant*

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The committee investigating the efficacy of training programs had lengthy discussions about the training and education needs of the Reach Up population. They concluded that Reach Up participants need active support – both concrete and psychological – to attend and complete training and education programs. Even when all the barriers to attendance are addressed, those who design and measure the impact of education and training programs need to understand that with many Reach Up participants it is not realistic to think the training program is all that is needed to secure paid, sustainable employment. The long-term participant survey reinforced this idea. In the 276 files that were reviewed, the average number of employers for each participant was nine, indicating that employment is relatively easy to find, and perhaps less easy to keep.

The reasons for the employment instability resulting in program “churn” can be attributed, in part, to the lack of soft, interpersonal communication skills that some Reach Up participants lack. The group acknowledged that just getting people in the door for a first work experience is a challenge. There needs to be more focus on building the skills, knowledge and attitudes essential to possessing such work habits as: Arriving on time, planning for work, and what to do when supports fall through. There is a need for infusing soft skills (which is being done in many places in the field) as a standard part of education and training programs – or maybe more globally, as part of family development plans. There is a need to help participants build self-confidence, and more importantly a sense of hope, that they can achieve their goals. It is especially important to provide soft skills and more intensive services to older adolescents and young parents up to age 24. The clear message from the committee was: It work better when it’s a structured and supported work experience.

Life skills/soft skills are countable only to the extent that they are directly related to preparing for employment. While the committee found significant limitations exist within most training programs, there are examples of training programs that work well – usually where an employer works with Reach Up staff to set up something short-term. This situation requires someone to have mastered the “soft skills” already and have a Reach Up caseworker who will advocate for her/him. There are other providers who are doing much of this, yet it is not

integrated in the system or consistently practiced around the state. Some committee members suggested it would be worthwhile to dedicate state funds to create an all-new program to provide intensive support to participants before the training/education step – the step before “let’s get you a job”.

Transitions seem to be problematic – i.e., the “handoff” from education/training programs to the workforce. More help is needed during the transition into work. One committee described an example of an effective progression to employment (“training program”): start with job club, then move to paid group work experience, then to vocational assessments and move to (unpaid) work experience; all the time working with job coach. While CWS provides the opportunities for progressive employment services, the job coach component is not resourced.

New national research indicates the need for smaller caseloads so that caseworkers can provide more intensive services. More intensive services are especially needed and appropriate for people who are approaching three years of participation. The committee described a progression of services – starting at 18 months – for participants who have made no, or little, progress on their FDP. At that juncture the supports need to become more intensive, such as those models in other states, including programs in Washington, Nebraska and New Haven, Connecticut.

***Priority Recommendations:***

1. Increase staffing capacity. Lower caseloads create opportunities to provide more individualized support to participants. Clients need to be able to access their Reach Up worker in a timely manner. This gives caseworkers the time and opportunity to provide more intensive support to people transitioning toward employment. Integration among systems can support lower caseloads; case managers do not necessarily need to be state-based but could be contracted positions in non-profit organizations.
2. The definition of what qualifies as “education and training” is broadened to include more core skills/life skills/soft skills support and preparation for classroom or work experience
3. Work toward completion of a high school degree counts as an activity that “stops the clock” for time limits and is encouraged as a priority for working toward long-term self-sufficiency.
4. Reach up services need to be provided in a progression, with more intensive services as needed if participants appear to be on a trajectory to need the program longer.
5. More intensive services are provided to participants during the transition to the workforce.

**Related Recommendations:**

1. Participants have access to training programs that support their needs, regardless of where they live in the state. Career readiness programs exist in some parts of the state (Addison County is a model); these should be made available more consistently, and geared toward job opportunities in the geographic area. In-class support or tutoring for participants should be implemented wherever possible.
2. A report from CWS contractors (VDOL, VABIR, VAL, VR) is needed with qualitative outcomes for the participants who come through their programs. This should be done using the Results-Based Accountability format.
3. More resources are available for private sector (non-profit) grants for mentoring/education/job skills support. Many organizations in communities around the state are providing the kind of core skills and planning skills that are necessary to succeed in finding work and achieving self-sufficiency; Reach Up could do more to create formal partnerships and incorporate these programs into family development plans.



## **8) Survey successful models used by other states' Temporary Assistance for Needy Families (TANF) programs that emphasize participant responsibility.**

Based on new research in behavioral economics and the long-term impacts of poverty on individuals and families, the concept of “participant responsibility” was interpreted by members of this committee as a set of activities that provide people with supports and strategies to insure that they are able to utilize their full cognitive resources. Because toxic stress of living in poverty can preoccupy much of an individual’s cognitive functioning, the committee concluded it is critically important to provide interventions that seek to remediate this stress.

Toward a goal of creating a more trauma-informed program, the committee reviewed innovative TANF program models that focus on earlier interventions, specifically those in Washington State, Nebraska, and the New Haven, Connecticut MOMS project. Each of these models provides intensive resources for families who are on a trajectory to be on TANF supports for a long period of time. These programs are resource-intensive in the short term, yet could deliver significant cost savings long-term when people move toward self-sufficiency. They could also positively impact the high level of second generational TANF dependents. The Plumeau-Black August 2013 study regarding long-term welfare dependence revealed that 56 percent of adults in Reach Up were on Reach Up as children. This fact was striking to the work group and to Dr. LaDonna Pavetti of the Center on Budget and Policy Priorities (she spoke with the group by phone in September).

The committee found that programs that attempt to address “participant responsibility” without more intensive service components for those program participants with a more comprehensive set of needs were not effective at reducing poverty in those states. The models reviewed included ones that:

- Forced recipients off TANF benefits after a set number of months [Maine], and
- Required “countable hours” from participants within a short time frame before releasing any assistance [West Virginia].

### ***Priority Recommendations:***

- 1.** Increase focus of the Reach-Up program on child health and wellbeing by creating formal MOUs with relevant AHS programs such as Children’s Integrated Services and WIC that ensure appropriate developmental screening, assessment and service coordination for children on Reach Up and their families.
- 2.** Develop specialized case management/mentoring unit to work with long-term and high barrier participants.
- 3.** Provide Reach up services in a progression, with more intensive services as needed if participants appear to be on a trajectory to need the program longer.

**9) Consider the feasibility and effectiveness of incorporating restorative justice principles into the Reach Up program through the involvement of Vermont's community justice centers.**

It was not immediately obvious to the committee how restorative justice would relate to the Reach Up program and its participants. To better understand restorative justice the committee met with Marc Wennberg, the Executive Director of the St. Albans Community Justice Center. That conversation helped the group see how some of the core principles of restorative justice could be beneficial in the program.

The committee discussed potential points of contact where restorative justice may help a family on Reach Up. One potential intervention point is when a Reach Up participant initially interfaces with the criminal justice system. Reach Up case managers could be involved in restorative processes in the community justice centers when participants are referred there. The committee considered using restorative justice with motor vehicle related citations to assist Reach Up participants who are buried under traffic fines they cannot afford to repay. The committee also believes that the principles of restorative justice have potential for application during the conciliation and sanction process, and this topic warrants additional exploration.

The community justice centers use mentors and the committee believes that a volunteer mentor could be a great asset to a family in Reach Up. Another way restorative justice processes could be helpful to Reach Up participants is directly related to their family functioning. Most Reach Up families are headed by single parents, and as the children move into adolescence it is common for the family's conflict level to increase. It may be possible to utilize restorative justice to help parents and adolescents work through these conflicts.

**Related Recommendations:**

1. Set up a steering committee of Reach Up and restorative justice staff to develop this concept more fully, and look at a structure for utilizing the restorative justice practices in Reach Up case management.
2. Coordinate a joint training with Reach Up staff, and local restorative justice staff to better understand restorative justice principles and their application in practice.
3. Consider a Reach Up referral to a local community justice center for any participant who becomes involved in the criminal justice system.
4. Find ways to apply restorative justice principles and practices specific to rebuilding relationships to the conciliation and sanction processes.

**10. Assess whether the State should maintain the exemption to 21 U.S.C. § 862a  
(denial of assistance and benefits for certain drug-related convictions) in  
33 V.S.A. § 1103.**

The full work group is unequivocally and fully in support of maintaining the exemption for TANF recipients convicted of specific drug related offenses to continue to be eligible for benefits. The group focused its discussion on the use of treatment and incentives rather than punishment in response to drug use. While it was not specifically requested of the work group, it also considered mandatory drug testing for TANF recipients. Consistent with the exemption described above and its rationale for maintaining it, there was no tolerance for requiring drug testing of TANF recipients. Instead the members strongly believe that more resources need to go to helping Reach Up participants with addiction issues get the support and treatment they need.

As stated previously in this report, the number one recommendation coming out of the work group process was to increase the substance abuse and mental health case management capacity so it is available statewide. The group recognizes that without adequate supports in place to assist program participants to access needed treatment, those with addictions and mental health issues will languish on the program, and their children will languish along with them. The earlier the families with these challenges are identified the more effectively their needs can be addressed.

***Priority Recommendations:***

1. Expand substance abuse/mental health case managers to all district offices.
2. Create a statewide protocol for screening, intervention and referral for clients for substance abuse and mental health issues.
3. Keep the state waiver to allow benefits to continue for those convicted of certain drug related offenses.
4. Increase case managers to support an immediate caseload maximum of 60, and create a plan to achieve a maximum caseload of 40.

**Lower caseloads will create opportunities for these case management activities:**

- a. Facilitate a “Family Engagement Model” of interaction. The caseload size should allow case managers the time to actively engage with the participant and the participant’s family and allow time for appropriate collaboration and teaming with the family and the family’s other service providers
- b. Reach Up case managers can develop a strong relationship with each client, make home visits and employ other strategies that would enable them to assess and address barriers

**Related Recommendations:**

1. Maintain current practice of allowing participants, including those with substance addictions, to remain on the program without experiencing mandatory drug testing.
2. Explore closer working relationships between Reach Up and treatment courts, where they exist.

**11) Evaluate the coordination between the Reach Up program and other state and community services that provide assistance pertaining to housing, employment, transportation, or mental health and substance abuse.**

The program need most frequently and energetically discussed was the need for increased staffing capacity – both at the general case management level and more specifically for participants needing access to substance abuse and mental health treatment services. The excessive caseloads is the single greatest factor impacting the program’s ability to engage effectively with the most complex and fragile families, and to connect these families with essential community supports and services.

The case manager who participated in the work group manages a caseload of about 80 families. Her time constraints preclude meeting the children in most families. While her voice was deeply respected, there were other louder and stronger voices lamenting the inability of case managers to do high quality work with such large numbers of families on their caseloads. In most cases there is no reasonable way for case managers to assist families with their children’s needs, and to help the family connect with needed supports and services to meet those needs.

The caseload sizes impact the ability of the program to utilize and help participants access community resources more effectively and collaboratively. With the demands of serving the current caseloads it can be difficult to learn what services are available to support clients. Even if case managers are aware of the range of services a participant might benefit from, they are often too time-challenged to participate in collaborative team meetings and follow up with the providers serving the families they are working with.

As mentioned previously, integrating services for high need and complex families has been a long-time goal of the Reach Up program. The committee contributed the thoughts below on the topics specifically mentioned in this task:

- A. *Housing* – The housing needs of Reach Up families are not well met. The precarious housing status of many families in Reach Up is demonstrated in the data – 44 percent of long-term recipients have been homeless. Almost 20 percent have moved three or more times in the past 48 months, and about 40 percent have moved at least twice. This level of transiency makes it hard for families to gain any sense of stability, and therefore getting traction on other goals is challenging. More needs to be done to support the housing needs of Reach Up families.
- B. *Employment* – Community-based employment related programs are not adequately resourced to provide the soft skills training so many Reach Up participants need to be successful in their early forays into the world of work. The committee found that there is some geographic discrepancies regarding the availability of training programs, and not enough training is available to meet the specific local employment markets.
- C. *Transportation* – Transportation continues to be a significant barrier for many program participants. While some specific recommendations emerged from the committee regarding transportation, none were selected as work group priorities. The committee discussed the successful Car Coach and Good News Garage collaboration and the fact it is not adequately resourced to meet the significant

transportation needs. Reach Up Team Leaders are especially concerned about the ability of the program to help meet the transportation needs of those who are required – by the recently enacted 60-month time limit – to participate in work activities. This will be a significant challenge for Reach Up participants who live in the most rural communities.

#### **Related Recommendations:**

##### **Substance abuse**

1. Develop specialized case management/mentoring unit to work with long-term and high barrier participants.
2. Explore closer working relationships between Reach Up and treatment courts, where they exist.

##### **Employment and training**

3. Encourage and incentivize internships and develop a relationship with the offices that help connect students to internships.
4. Increase access to training programs that support participants' needs, regardless of where they live in the state. Career readiness programs should be made available more consistently, and geared toward job opportunities in the geographic area.

##### **Housing**

5. Give single parent households a housing subsidy (based on the Vermont rental subsidy model), separate and above their Reach Up grant, and make it directly vendored to landlords.
6. Coordinate all DCF housing programs under one management structure.

##### **Transportation**

7. Conduct inventory of passenger vehicles that the state currently brings to auction, and where appropriate, donate them to Good News Garage.
8. Assist Reach Up participants to obtain transportation by waiving sales tax for participants who receive state purchased cars.

## Part VI

### Policy Work Group Recommendations

The categories described below bring together sets of related recommendations that resulted from the work group's committee-level work. As stated in the previous section, each of the 11 tasks mandated in Act 50 was assigned to one of the work group committees. During the research and dialogue process, the five different committees, addressing unique tasks and often using distinct data, ended up identifying similar strategies for improving the Reach Up program. Where the recommendations are similar, they are united under one category below. Under each heading are recommendations that relate to the general topic and each recommendation in **bold font** was among the highest scorers in the Survey Monkey process. The benefit of bringing similar recommendations together under a single heading makes clear the degree to which some of these general concepts were of interest to the different committees.

*A note about the first two sets of recommendations:* Expanding access to substance abuse and mental health case management services statewide received the single highest score among all 63 recommendations. The next five top-ranked recommendations are all related to increasing case management capacity and lowering caseloads – they describe service delivery goals that are only possible with lower caseloads, such as building a stronger relationship with clients and serving the whole family.

The first cluster includes the set of ideas that relate specifically to substance abuse and mental health issues, while the second cluster refers to all the recommendations that can be linked to increasing general case management capacity – within Economic Services Division and among its partners.

#### **# 1 – Ensure access to specialized substance abuse and mental health case management services, and ensure policies support treatment rather than punishment.**

##### **Priority Recommendations<sup>1</sup>:**

- **Expand substance abuse and mental health case managers to all district offices.**
- **Keep the state waiver to allow benefits to continue for those convicted of certain Reach Up related offenses.**
- **Create statewide protocol for screening, intervention and referral for substance abuse and mental health issues.**

##### **Related Recommendations<sup>2</sup>:**

- Maintain current practice of allowing participants, including those with substance addictions, to remain on the program without experiencing mandatory drug testing.
- Explore closer working relationships between Reach Up and treatment courts, where they exist.

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<sup>1</sup> Bold items received priority Survey Monkey scores.

**# 2 – Increase case management capacity and reduce caseload sizes – increase professional development opportunities, and support specialized case work for more complex families.**

**Priority Recommendations:**

- **Increase case manager capacity and reduce caseloads.**
  - **Suggestion #1 – Support an immediate caseload maximum of 60, and create a plan to achieve a maximum caseload of 40.**
  - **Suggestion #2 – Build capacity within the case manager work force to allow for a change that would facilitate a “Family Engagement Model” of interaction. The caseload should allow case managers the time to actively engage with the participant and the participant’s family and allow time for appropriate collaboration and teaming with the family and the family’s other service providers.**
  - **Suggestion #3 – Reduce caseload so that Reach Up case managers can develop a strong relationship with each client, and provide more individualized support to participants. They should have the time to make home visits and employ other strategies that would enable them to assess and address barriers more effectively.**
  - **Suggestion #4 – Increase focus of the Reach Up program on child health and wellbeing by creating formal written agreements (e.g., MOUs) with relevant Agency of Human Services programs such as Children’s Integrated Services and WIC that ensure appropriate developmental screening, assessment and service coordination for children on Reach Up and their families.**
  - **Suggestion #5 – Develop specialized case management/mentoring unit to work with long-term and high barrier participants.**
  - **Suggestion #6 – Provide more intensive services to participants during the transition to the workforce.**
  - **Suggestion #7 – Provide Reach up services in a progression, with more intensive services as needed if participants appear to be on a trajectory to need the program longer.**

**Related Recommendations:**

- **Invest in staff training – incorporate focus on coaching/mentoring model; require higher level of education; provide customer focused/customer service training for all Reach Up staff.**
- **Re-evaluate the minimum qualifications for Reach Up Case Managers.**

### # 3 – Improve participant’s financial stability and mitigate the impact of the benefits cliff.

#### Priority Recommendations:

- Increase the income disregard as part of an employment-retention incentive system.
  - Suggestion #1 - Disregard the first \$600 of earned income for the family for the first 4 months following employment.
  - Suggestion #2 - Disregard 100% earned income for six months, then 75% for three months, then 50% for three months.
- Integrate financial empowerment program into Reach Up including: credit, banking and individual development account components.

#### Related Recommendations:

- Revise the resource test for families to be eligible for TANF.
  - Suggestion #1 – Increase liquid resources to \$4,000 from the current \$2,000, and totally disregard non-liquid resources, and any retirement benefits the family may have.
  - Suggestion #2 - Eliminate asset test for program eligibility.
- Require participants on money mismanagement vendors (and possible voluntary vendors as well) to come in a week or two before the next month to meet with their case manager to review their budget and make decisions on how it should be spent for the month.
- Increase the Reach Up grant to meet 100% of the standard of need.

### # 4 – Prioritize engagement in high school completion activities and other education and training programs.

#### Priority Recommendations:

- Incentivize education.
  - Suggestion #1 – Support the goals of an individual to attain a high school diploma, post-secondary education (PSE) credential, professional certification, or vocational education/training program.
  - Suggestion #2 – Eliminate the education deferment. Instead allow any hours spent pursuing a high school credential to count toward the work requirement.
  - Suggestion #3 – Change policy so that activities toward completion of a high school diploma “stop the clock” for time limits.
  - Suggestion #4 – Create a schedule for a diverse set of education credentials.
  - Suggestion #5 – Use the PSE model as a framework in terms of clock time allowed.

#### Related Recommendations:

- Create a standard message about post-secondary education to be shared with all Reach Up participants (per the Act 50 requirement).
- Remove the requirement for principal earning parents to meet the 40-hour work requirement in order to qualify for post-secondary education program and require the second parent to meet the 20 or 30-hour work requirement (depending on age of youngest child).



## # 5 – Communicate to Congress the importance of TANF reauthorization.

### Priority Recommendation:

- Encourage Vermont policymakers to do whatever they can to influence federal action on TANF reauthorization.

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### Other Recommendations to Improve the Program

#### A. Improve housing stability for Reach Up families

##### Recommendations:

- **Expand the Vermont Rental Subsidy Program for Reach Up families.**
- Raise the shelter allowance (from the current \$400/\$450) and use established guidelines (Area Median Income) specific to the region of residence to establish reasonable housing allowances.
- Coordinate all DCF housing programs under one management structure.
- Give single parent households a housing subsidy (based on the Vermont rental subsidy model), separate and above their Reach Up grant, and that would be directly “vendored” to landlords.

#### B. Support Reach Up program transitions.

##### Recommendations

- **Enroll Reach Up “leavers” automatically into the Reach Ahead program with the ability to opt out if the Reach Up leaver chooses.**
- **Increase the time a participant can be on Reach Ahead from 12 to 18 months and provide a food benefit of \$100 for the first six months and \$50 for the following 12 months.**

#### C. Improve sanction and conciliation policies.

##### Recommendations:

- **Simplify the conciliation/sanction process by eliminating the “good cause” letter process and move straight to a conciliation or sanction meeting. If good cause is established at this time, the conciliation or sanction can be dropped.**
- Commission a longer study on the use of incentives as an alternative to sanctions.
- Increase the number of conciliations available to at least one time annually.
- Change sanction policies.
  - Suggestion #1 – Create two types of sanction: 1) keep the current fiscal sanction for not meeting the work requirement, and 2) create a non-fiscal sanction for not complying with Family Development Plan (FDP) activities. The non-fiscal sanction could put the benefit on hold each month until they meet with their case manager. This would require the rent to be paid directly to the landlord.
  - Suggestion #2 – Eliminate monetary sanction for non-Workforce Participation Rate (WPR) violations.
  - Suggestion #3 – Reduce sanction amounts but increase frequency.

- Suggestion #4 – Create a process to give back sanction amount as incentive for compliance. After someone has “cured their sanction, they have the opportunity to earn it back. Recommend at least one month of compliance to earn back the sanctioned benefits.
- Apply restorative justice principles and practices to sanctions and conciliation processes.

#### **D. Adjust work requirements and broaden education and training definitions.**

##### **Recommendations:**

- **Change policy to broaden the definition of what qualifies as “education and training” to include more core skills/life skills/soft skills support and preparation for classroom or work experience.**
- Invest in staff training – incorporate focus on coaching/mentoring model; require higher level of education; provide customer focused/customer service training for all Reach Up staff.
- Change work requirements depending on household composition and age of children.
  - Suggestion #1 – Remove the requirement for principal earning parents to meet the 40-hour work requirement in order to qualify for post-secondary education program and require the second parent to meet the 20 or 30-hour work requirement (depending on age of youngest child).
  - Suggestion #2 – Make the work requirement 30 hours per adult if all children are age six or older in the household.
  - Suggestion #3 – Make the work requirement 20 hours for each adult if there is a child under the age of six in the household.
- Increase access to training programs that support participants’ needs, regardless of where they live in the state. Career readiness currently programs should be made available more consistently, and geared toward job opportunities in the geographic area.
- Standardize work requirement deferments to reflect all deferments included in 33 V.S.A. § 1114.
- Increase resources for private sector (non-profit) grants for mentoring/education/job skills support
- Improve utilization and maximize engagement for Vt. Department of Labor (VDOL) Reach Up staff: engage VDOL staff quickly with Reach First participants, increase engagement of Reach Up participants in Wagner-Pyser and Workforce Investment Act (WIA) activities through existing partnerships.
- Encourage and incentivize internships and develop a relationship with the offices that help connect students to internships.

#### **E. Improve Service Integration**

##### **Recommendations:**

- Set up a steering committee in districts where restorative justice is successful, with restorative justice professionals and Reach Up staff and look at joint training, and how restorative justice and Reach Up can effectively collaborate together.
- Assure Reach Up leadership is at the table when Integrated Family Services is rolled out in Franklin/Grand Isle Counties.
- Strengthen ties with children on TANF once they hit school – especially with behavioral interventionists and home-school coordinators.

#### **F. Remove Barriers**

### **Recommendations**

- Conduct inventory of passenger vehicles that the state currently brings to auction, and where appropriate, donate them to the Good News Garage.
- Allow use of the proposed Family Savings Account (individual development account) for the purchase of passenger vehicles.
- Assist Reach Up participants to obtain transportation by waiving sales tax for participants who receive state purchased cars.

### **G. Incentives**

#### **Recommendations:**

- Separate the incentives budget from the support services budget, as a separate line item.
- Fully fund Vermont's incentive system.
- Conduct a study on the use of incentives in the Reach Up program.

### **H. Miscellaneous Strategies**

#### **Recommendations**

- Reexamine the 2013 legislative decision to start the 60-month time limit clock when a parent is eighteen years old.
- Create a centralized case review unit to encourage cross-fertilization across districts.

## Part VII

### Outcomes – Results Based Accountability Framework

#### *Impact of recommendations:*

The Legislatively mandated Reach Up program study comes at a time when leadership in Vermont is keenly interested in understanding how the state’s citizens are “better off” as a result of receiving human services. Over the past eighteen months, federal, state and private philanthropic resources have supported training in Results-Based Accountability (RBA)© for personnel within Vermont’s Agency of Human Services (AHS) departments, leadership and staff in many of the state’s non-profit organizations and members of the Vermont General Assembly.

RBA focuses on the conditions of well-being (or outcomes) a program – or set of programs – is seeking to impact. It’s often discussed in terms of how people are **better off** as a result of receiving services. In this framework, outcomes drive how programs are designed, funded and evaluated. In conjunction with developing a results based focus on programming, AHS is initiating results based contracting with its grantees.

The RBA framework guides programs to assess their performance by asking three simple questions:

How much did we do?

How well did we do it?

Is anyone better off?

The first two questions speak to effort – the quantity and quality of services, activities, and policies. The third question focuses on the impact of those efforts – what is the rationale for providing these services, on whose behalf are they being delivered, and if they are effective?

After four months of discussion primarily focused on the first two questions above (how much and how well) and despite the lack of a directive from the legislature to define program outcomes, the work group decided it was important to define for themselves the participant outcomes they believe are foundational to the Reach Up program. Those conditions of well-being are described below, and the work group believes achieving these conditions of well being ought to inform all policy decisions about the Reach Up program.

#### *Financial Well Being*

Reach Up families have meaningful employment that provides economic stability and sustains them above poverty, and allows them to access the resources they need to meet their children’s basic needs.

#### *Basic needs*

Reach Up families have a safe, stable, and affordable place to live, and children’s basic needs are met and they receive the parenting they need to thrive.

#### *Educational outcomes*

Reach Up parents and children achieve educational milestones, including high school graduation and training or education specific to their vocational goals.

#### *Cognitive capacity*

Participants make better decisions that help with their housing and education.

Reach Up parents will be more confident leaders of their families.

#### *Safe and healthy communities*

Reach Up participants will experience a greater sense of equality with other community members, and they will experience their communities as safe and supportive.

Fewer Reach Up children participate in Reach Up as adults.