

Reach Ahead Program Overview

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Reach Up Program's Mission:

We join families on their journey to overcome obstacles, explore opportunities, improve their finances, and reach their goals.



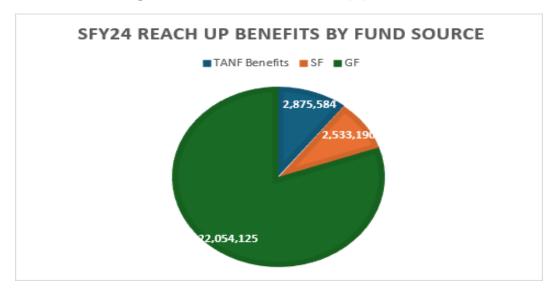
Reach Up Program's Vision:

Families are empowered, connected and thriving.

TANF Block Grant

Reach Up is Vermont's TANF program. Long ago Vermont decided to use the TANF block grant to support Vermont's Children from lower income households.

Vermont invests a lot of general fund to support the Reach Up program:



TANF is a block grant and is used for a variety of purposes within the state. Specifically, a portion of the grant supports the Family Services Division, primarily funding social worker positions and salaries; another portion goes to Child Development Division, mainly for childcare subsidies; part of it funds the Reach Up program; and some of it is used as a "swap" with the Tax Department, which allows for more flexibility in spending. All TANF funds are meant to assist families with children.

Reach Up

- Reach Up helps parents and caretakers to set and achieve shortand long-term goals that enable them to financially support their minor, dependent children.
- In FY24 on average 2,355 households were served each month.

Reach First

- As part of the Reach Up family of programs, Reach First assists families in navigating temporary, shortterm financial crises, helping them avoid the need for longerterm assistance.
- This program offers assistance for 4 months.
- In FY24 on average 10 households were served each month.

Post-Secondary Education (PSE)

- Part of the Reach
 Up family of
 programs, PSE
 supports parent
 and caretakers in
 earning an
 undergraduate
 college degree,
 allowing them to
 secure well-paying
 jobs and provide
 for their children.
- In FY24 on average 36 households were served each month.

Reach Up Child Only

- This program provides cash assistance to help adults care for minor, dependent children of relatives or family friends.
- In FY24 on average 947 households were served each month.

Reach Ahead Pilot Program

- From July 1, 2023, to June 30, 2025, the Reach Ahead Pilot, part of the Reach Up family of programs, assists parents and caretakers in transitioning from Reach Up or Post-Secondary Education (PSE) to employment.
- In FY24 on average 373 households were served each month.

History of Reach Ahead and the WPR

Historically families receiving Reach Ahead benefits accounted for a large portion of the State's Work Participation Rate (WPR). The WPR is a federal performance measure that assesses the percentage of Reach Up recipients engaged in approved work activities. The Reach Ahead Program was created in 2009 to help the Reach Up program meet these federal requirements.

This was done by offering working families leaving Reach Up and the Post-Secondary Education Program a small benefit which allowed the program to report information about the participant's work hours to the federal partners.

The Reach Ahead program is based upon the number of hours worked, not the wages received. This is because the program was developed to help Vermont meet the WPR:

- 20 hours for Single Parents,
- 30 hours for 2 Parents only 1 able to work
- 35 hours for 2 parents, both able to work.

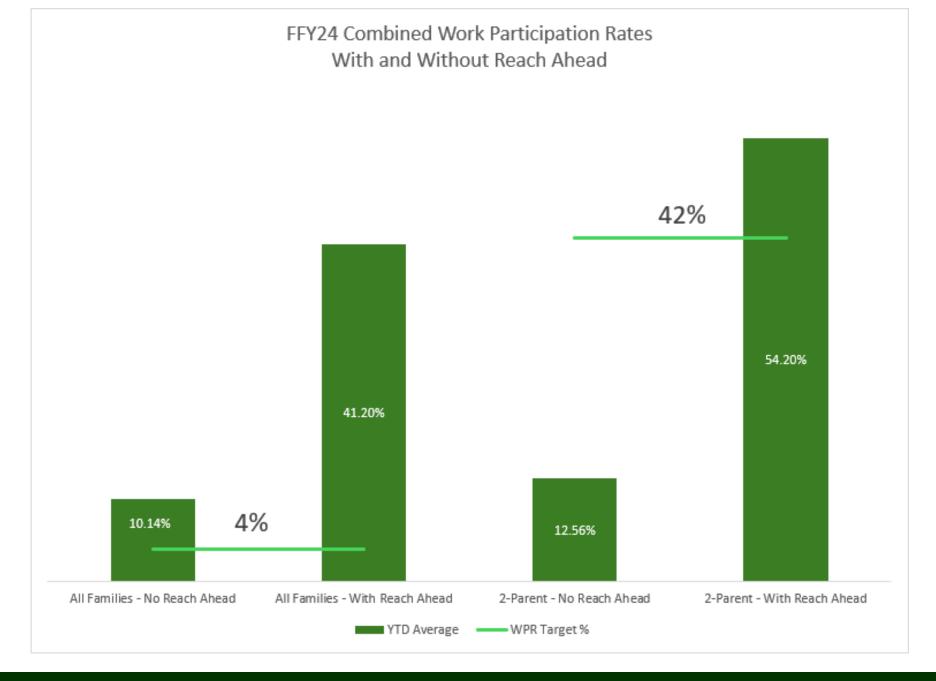
Reach Ahead is a program that can only be used once in a person's lifetime. It does not have to be consecutive, but no household can receive more than 24 months.

Changes to the Reach Ahead Program Overtime

In 2009 the Reach Ahead program was first created. Within the first six months after leaving Reach Up and PSE, eligible families received monthly food benefits of \$100 for 6 months and \$50 for 6 months.

In 2015 the Reach Ahead program was changed. Assistance went from 12 months to 24 months. Within the first six months after leaving Reach Up and PSE, eligible families received monthly food benefits of \$50 for 12 months and \$5 for 12 months. A major driver for this change was to provide the state with the ability to count people in the WPR for 2 years and provide 100% childcare subsidy which was a significant benefit to families at the time.

In 2023 the Reach Ahead Pilot program was implemented. Within the first twelve months after leaving Reach Up and PSE, eligible families received monthly food benefits of \$100 for 6 months, then \$50 for remaining 18 months. The pilot also offered guaranteed work incentives at 6 months (\$750), 12 months (\$1000), 18 months (\$1000) and at 24 months (\$1000).



2023 Reach Ahead Legislation: ACT 78

Sec. E 323.7 REACH AHEAD PILOT PROGRAM

- (a) Notwithstanding any provision to the contrary in 33 V.S.A. chapter 12, funds appropriated to the Department for Children and Families for the Reach Ahead Pilot Program in fiscal year 2024 shall be used to:
 - (1) enroll families that have left the Reach Up program or the postsecondary education program within the prior 12 months for employment that meets the federal work requirements for the Temporary Assistance for Needy Families program for the family's size and composition;
 - (2) increase the amount of monthly food assistance from \$50 to \$100 in the first 12 months of a family's participation in Reach Ahead;
 - (3) increase the amount of monthly food assistance from \$5 to \$50 in the second 12 months of a family's participation in Reach Ahead; and
 - (4) provide incentive payments to participating families in the amounts of:
 - (A) \$750, to be paid after participating in the Program for six months;
 - (B) \$1,000, to be paid after participating in the Program for 12 months;
 - (C) \$1,000, to be paid after participating in the Program for 18 months; and
 - (D) \$1,000, to be paid after participating in the Program for 24 months.
- (b) Funding for this program is provided for in Sec. B.1100(o)(1) of this act and is only in effect for fiscal years 2024 and 2025, unless additional funding is authorized.

Sec. E.323.8 REACH AHEAD PILOT PROGRAM

(a) The Department for Children and Families – Economic Services Division shall collect and report data that measures outcomes for participants of the Reach Ahead Pilot Program established in Sec. E.323.7 of this act; the indicators used to measure participant and Pilot Program progress; and the strategies that are implemented.

The Reach Ahead Pilot Program Legislation did not set parameters around the implementation or the data measurement requirements.

Reach Ahead Program Comparison

Reach Ahead Pilot FY24

- 24 consecutive month limit
- 12 month look back eligibility window
- \$100 food benefit for first 6 months then
 \$50 for remaining 18 months
- Tiered work support payments for consecutive months of employment and enrollment:
 - √\$750 after 6 months,
 - ✓\$1000 after 12, 18, and 24 months
- Case management and/or career coaching
- Support services to maintain employment

Reach Ahead FY23

- 24 cumulative month limit
- 6 month look back eligibility window
- \$50 food benefit for first 12 months then \$5 for remaining 12 months
- \$300 job retention payment at 6 months from start of employment
- Case management and/or career coaching
- Support services to maintain employment

The pilot program extended eligibility to individuals who had exited the Reach Up or Postsecondary Education (PSE) programs within the past 12 months, allowing them to access this incentive. As a result, families who have maintained employment for up to 12 months and achieved a level of stability could still apply for assistance. While the additional benefits and employment supports offer valuable resources, ESD is unable to determine their impact on employment retention, as the pilot was not conducted using a scientific method, such as including a control group.

Reach Ahead Pilot Program Costs

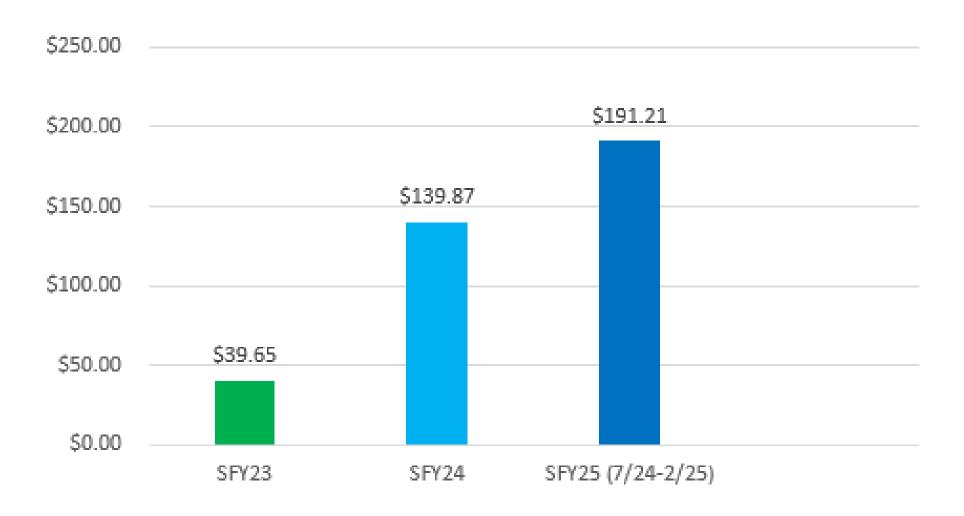
Reach Ahead FY23

- Allocation: \$116,860
- Reach Ahead served 253 families

Reach Ahead Pilot FY24

- One time for 2 years: \$2 million for the pilot
- Allocation: \$226,203
- 3 new limited-service positions (2 Case Managers and 1 Assistant Administrator)
- Reach Ahead served 348 families

Cost Per Households



FY25 is significantly higher because the incentive payments for the RA Pilot were greater in amount and more frequent in the second year of participation.

Pilot Surveys Overview



- 256 surveys sent in SFY24 with 114 surveys returned
- Survey return rate: 45%
- Self-reported data indicate that increases in benefits and bonuses have a positive impact.

Limitations of the Pilot Program

The pilot was not implemented as a scientific experiment. There was no control group to confidently and scientifically show that the pilot program helped more people maintain employment, increase wages, stay current on rent, or have less family services involvement.

The pilot runs through June 30, 2025. The Department will analyze all the data from year one and year two, look at the new federal law changes, to determine what legislative requests DCF might have in the future for this program.

It's a very expensive program. The difference between the spending per case has increased by 252% from FY23 to FY24 and the difference between the spending per case has increased by 383% from FY23 to FY25.

What's Next

Pilot Program Ending June 30, 2025

Focus is on increased communication and notification efforts

Reach Ahead Program

 July 1, 2025, the Reach Ahead
 Program will return to its original rules and procedures

Analysis

 The Program will start focusing on the upcoming Federal Changes and how it will alter the Reach Ahead program.