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**Report to  
The Vermont Legislature**

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**Evaluation of Reach Up  
In Accordance with 33 V.S.A. §1134**

**Submitted to: Governor  
General Assembly**

**Submitted by: Dr. Harry Chen, Interim Commissioner  
Department for Children and Families**

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Economic Services Division**

**Report Date: January 31, 2023**



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

## Introduction

Department for Children and Families (DCF) submits this report for the [Reach Up program](#), pursuant to 33 V.S.A § 1134, which requires that annually by January 31<sup>st</sup>, DCF report to the Governor and the General Assembly on progress achieving the goals in 33 V.S.A. § 1002, § 1102, and §1202 in the past year. The sections in this report following the “Highlights and Changes” correspond to the numerical paragraphs under subsection 1134. Most data and information in this report, unless stated otherwise, are for the period October 1, 2021, through September 30, 2022 (federal fiscal year 2022), and extracted from the state’s ACCESS system. Data reported in Sections 3 (Reach Up leavers’ participation in 3SquaresVT) are for the period July 1, 2021, through June 30, 2022 (state fiscal year 2022). Links throughout this report provide data tables for a more in-depth look.

The [Reach Up program](#) provided a monthly average of 3,428 Vermont families, including 6,139 Vermont children, with household income that helped provide the fundamental building blocks for long term success ([Link to Reach Up Demographics](#)). For the last year, an average of 2,701 adults each month participated in the Reach Up program by working with case managers to set goals for education, training, education, and family wellbeing. Of the 6,139 children enrolled in the Reach Up program, 38%, or 2,343, are under age 6. This is a critical time in child development, and the Reach Up program offers these families and children resources during a particularly vulnerable time for brain development in young children.

## Highlights and Changes in 2022

### **National Award**

The Vermont Reach Up program was awarded the National Association of TANF Administrators (NASTA) North Star Award by the American Public Human Services Association (APHSA). NASTA is a national organization that provides policy and program guidance driven by the latest research in the field. The North Star Award is given to one TANF program a year that exemplifies the principles and policies upheld by NASTA that promote the best outcomes for families.

### **Reach Up Emergency Rental Assistance (RUERA)**

The Reach Up Emergency Rental Assistance (RUERA) program continued to stabilize housing and rent payments for 1,982 Vermont families and property owners through 2022. RUERA is federally funded with Emergency Rental Assistance Program funding and from April 1, 2021 to November 30, 2022 has served 2,342 unique households with a total of \$17.8 million in rental assistance payments. The federal funding source supports five other housing programs for low-income Vermonters, administered by multiple state agencies and community organizations.

### **Professional Development Advisory Group**

The Reach Up Professional Development Advisory Group continued to identify professional development priorities for Reach Up case managers. This year they created a formal peer support network for case managers to connect and share resources and expertise. The Economic Services Division training unit developed and held a training for the peer facilitators, who will coordinate quarterly meetings for all Reach Up case managers and contracted staff.

### **Vermont MOMS Partnership™ Expansion**

During the last year, the Reach Up program expanded to offer [Vermont MOMS Partnership™](#) to a broader geographic area in the state. Previously, the stress reduction course was offered to mothers and female caregivers from the Burlington, Middlebury, and St. Albans district. In 2022, the Reach Up

program began offering the classes to Bennington and Rutland and is currently in the process of adding classes in Barre. The sessions are co-facilitated by a mom with lived experience and a mental health clinician, and have resulted in decreases in depression, anxiety, and stress for participants, in addition to increased social connections and support. [MOMS Partnership®](#) was created by the Yale School of Public Health, which selected Reach Up in 2018 as one of the first TANF programs in the country to integrate this innovative program.

## Section 1: Participant Barriers

Participant barriers or obstacles may prevent or delay entrance into the workforce. Reach Up participants and their families often face significant obstacles on their path to employment. Reach Up case managers help families set goals to overcome these obstacles and access opportunities that will help them become financially stable. Reach Up Case Managers assess participants' strengths and barriers to employment on an ongoing basis. Case managers enter data into the Family Support Matrix in the ACCESS system as changes occur in the participants' situations.

During the period from October 2021 to September 2022, case managers assessed 4,287 participants and found 11,647 barriers, an average of 2.7 barriers per participant ([Link to Reach Up Barriers](#)). To help mitigate these obstacles, Reach Up provides incentives and support services designed to help families reach their employment, training and education goals. Reach Up provides a wide range of support services including payments for child care, car repairs, cash incentives, work supplies, and transportation. Case managers also use the "*Your Money, Your Goals*" toolkit to integrate financial capability into goal setting and to address financial barriers. This past year notable improvements in adult employment and finances continued. In 2019, 62% of participants reported obstacles related to adult employment; two years later that percentage decreased to 51%, and it decreased again in 2022 to 46%. Likewise, the percentage of participants reporting finances as a barrier decreased from 49% to 41% in 2021, to 38% in 2022. Shelter barriers also decreased from 21% in 2021 to 19% in 2022.

### **Reach Up Participants with Deferments from the Work Requirement**

A deferment is a temporary postponement of the program's full work requirement. A deferred participant still creates a Family Development Plan that includes goals to help them address their barriers to work and their family's wellbeing. Most participants are deferred because of medical issues or a combination of reasons including child care, transportation, housing, etc. (reflected in the [Reach Up Barriers table](#) (as "unknown").

## Section 2: Participant Outcomes

An average of 647 Reach Up and Reach Ahead participants per month are working ([Link to Reach Up Employment and Wage](#)). Of the 647 participants, 231 are in the Reach Ahead program. 416 Reach Up participants are working, demonstrating that 15% of adults in Reach Up work while remaining eligible for the program. The percentage of active Reach Up participants working has increased from 11% in 2021. However, most Reach Up participants' grants will close when they start working since very little income will make the family ineligible for Reach Up financial assistance. The number of families enrolled in Reach Ahead has increased from 207 to 231, indicating that more families are leaving Reach Up and going to work than in previous years.

The number of participants earning at least \$15 per hour increased dramatically every year since 2018, from 8.7% to 15.6% in 2020, to 23.3% in 2021, **to 38% in 2022**. In 2021, a higher earnings bracket was

added to the chart, with 13.5% of earners making more than \$16 per hour. This year, yet another earnings bracket was added to the chart, with **17.5%** of earners making **more than \$17 per hour**.

### Section 3: 3SquaresVT Participation of Reach Up Leavers

An average of 1,237 families left Reach Up each quarter ([Link to Reach Up Demographics](#)); an average of 1,030 or 81% of these families were still off Reach Up 4 months later. When they left Reach Up, 85% of these families were receiving 3SquaresVT benefits; 4 months later, 60% still received 3SquaresVT.

### Section 4: Health Care Enrollment of Reach Up Leavers

Vermont is a leader in providing health care assistance to children and families. When a family's income exceeds the Medicaid eligibility threshold due to earnings or increased child support, the family will continue to be eligible for Medicaid through Transitional Medical Assistance (TMA) regardless of the family's increased earnings. TMA extends a family's Medicaid eligibility for up to 12 months.<sup>1</sup>

### Section 5: Summary of Reports by Contractors

No reports were submitted by contractors in state or federal fiscal year 2022.

### Section 6: Work Participation Rates and the Caseload Reduction Credit

States must submit the percentage of families participating in federally approved “countable” activities to the U.S. Department of Health and Human Services, Administration for Children and Families (ACF). Countable activities include paid employment, community service, limited hours of job search and readiness, and in a few cases, job training and education.<sup>2</sup> Federal countable activities do not include many activities that address multiple, complex barriers to employment, such as mental health treatment, housing search, and finding child care and transportation. ACF computes each state's monthly Work Participation Rate for “All Families” and “Two-Parent Families,” then averages those rates over 12 months to calculate the state's overall Work Participation Rate for the federal fiscal year ([Link to Reach Up Participation Rate](#)). States are required to meet a 50% All-Family rate and a 90% Two-Parent Family rate.

An adjustment to the state's Work Participation Rate, called the Caseload Reduction Credit (CRC) ([Link to Reach Up Work Participation Rate](#)), may be calculated based on two factors: decline in the state's caseload due to employment during the prior Federal Fiscal Year (FFY), and state spending above the federally required Maintenance of Effort (MOE) funds.

Adding the CRC to the participation rates for 2022 results in an **78.2% All Families rate** and a **98.5% Two-Parent rate**. Vermont is on-track to meet the 2022 Work Participation Rate for both All-Families and Two-Parent rates.

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<sup>1</sup> Health Benefits Eligibility and Enrollment rule § 7.03(a)(6)(i).

<sup>2</sup> Further federal limitations on hours of participation and the age of participants in certain activities exist.

## Section 7: Basic Needs, Housing Allowances, and Maximum Grants

### Basic Needs and Housing Allowances

As part of the benefit calculation, the Department uses the “basic needs standard” ([Link to Reach Up Benefit Calculation](#)) from 2019 based on the Consumer Price Index that includes the cost of living considered essential to all households, and a “housing allowance” that is based on what participants reported paying for their housing in 2001. Each year the Department reports a comparison between the basic needs standard (2019) and the housing allowance (2001) the Department currently uses, and the current basic needs standard and housing allowance (both 2022).

### Current Maximum Grants

Maximum grants are determined by the following formula ([Link to Reach Up Benefit Calculation](#)):  
Basic Needs + Housing Allowance + Special Needs Housing Allowance (If applicable) X Ratable Reduction

The maximum grants for families of one to four members outside Chittenden County range from \$562 to \$976.

## Section 8: Profiles of Families with 60 Countable Months of Reach Up

During the last fiscal year, there were an average of 380 families each month at the 60-month limit ([Link to Reach Up Time Limits](#)). Families in this population face higher rates of barriers than those in the overall Reach Up population, with an average of 3.8 barriers per household, compared to 2.7 barriers per household in the overall Reach Up population. However, the additional coaching and intensive services provided to these families may be impacting them positively, as the average number of barriers decreased from last year’s high of 4.8. Below are some examples of additional comparisons:

Barrier	Overall Reach Up Population	60 Month Population
Emotional Health	29%	48%
Health and Safety	21%	32%
Transportation	36%	42%

To see the impact in 2022 on time limits “leavers” from the previous year, the Department looked at 23 unique families who left Reach Up due to time limits between October 2020 and September 2021. The data analysis shows decreased use of benefits during 2022:

- 96% used 3SquaresVT, compared to 100% in 2021
- 17% used General Assistance, compared to 29% in 2021
- 57% did **not** return to Reach Up within 12 months, compared to 16% in 2021

## Section 9: Families Participating in the Post-Secondary Education (PSE) Program

According to data extracted from ACCESS, an average of 49 students per month participated in the PSE program during FFY22. This number has been steadily decreasing over the last decade. ESD does not collect barrier information for PSE students, but from discussions with parents and case managers we know that PSE students struggle with many of the same obstacles as Reach Up participants such as finding child care, accessing transportation and affordable housing, and dealing with mental health challenges. We know that a PSE graduate earns significantly more income than a Reach Up leaver, is more likely to be employed, and returns to Reach Up less frequently.