



July 25, 2022

In September 2021, the Department of Health and Human Services (Department) submitted a plan to mitigate the Cliff Effect, <https://www.dhhs.nh.gov/solving-benefits-cliff-effect>. As part of this plan were action steps that the DHSS would begin during State Fiscal Year 2022, what follows is on the status of this plan.

- 1. Immediately, the Department will target a portion of the federal child care relief dollars to provide to businesses to support child care in local communities.**

Update: This has been prioritized and the Department has put aside \$1,500,000 to support this work. The Department will release a Request for Proposal (RFP) in Fall 2022 to further these efforts. The selected vendor will: 1) conduct a full employer, employee and provider needs assessment; 2) conduct a pilot to identify successful business and child care partnerships; 3) launch a marketing/public information campaign targeted to promoting child care solutions and information for employers and employees; and 4) implement a business human resources support system to help employees find child care.

- 2. By September 30, 2021, working with NHES, the Department will determine if a request for State American Rescue Plan (ARP) funds is feasible to pilot the 100% TANF disregard for those working in jobs on the high demand list is allowable. If not, NHES and the Department will work to identify an alternative source of funds.**

Update: The Department did not need to request State ARP funds for this pilot and is using TANF dollars. The pilot will launch on October 1, 2022. Those eligible are TANF participants who accept a full-time, benefits eligible job on the high demand list.

- 3. By September 30, 2021, the Department, using federal child care relief dollars, will pilot a temporary increase of eligibility for the New Hampshire Child Care Scholarship to determine if this increases the number of families eligible for assistance.**

Update: This item was one of three recommended policy changes (along with enrollment-based payment and a reduction in CCDF steps) for the Department. Therefore, the cost/affordability, sustainability and benefits of all three will be considered in final determinations on policy changes. Due to the enrollment-based payment pilot, this project was delayed. Subsequently, the Department determined that it is unable to conduct short-term pilots requiring temporary changes to the New HEIGHTS eligibility system due to the length and time-intensity of the process, including coding. Alternatively, the Department conducted a cost projection, which estimated the

June 30, 2022

additional cost of implementing this policy to be \$1.2 million per year to increase the CCDF Tier 1 eligibility limit from 220% to 250% of Federal Poverty Level. The cost increase for Tier 2 (phase out) is indeterminable, as the Department does not currently serve families in CCDF with incomes above 250% of FPL. Decisions regarding the final policy changes to be proposed and/or adopted and will be made as part of the 2024-2025 biennium budget development process.

4. By September 30, 2021, the Department, using federal child care relief dollars will raise state payment rates for non-traditional hours.

Update: Work has begun to identify the need for non-traditional hours and providers who are willing to provide care during these times. On June 8, 2022, a survey went out to child care providers, families and employers to shape the focus of this work.

5. By January 31, 2022, the Department will amend the administrative rules to adjust the steps within the NH Child Care Scholarship Program.

Update: An amendment has been drafted to Administrative Rule He-C 6910. Because this item was one of three recommended policy changes (along with enrollment-based payment and an increase in income eligibility limits), the cost/affordability, sustainability and benefits of these policy changes will be considered in the Department's policy decisions. The Department estimates the additional cost of implementing this policy to be \$963,000 per year. Decisions regarding the final policy changes to be proposed and/or adopted and will be made as part of the biennium budget development process.

6. By January 31, 2022, the Department will make recommendations regarding enrollment based child care payments. The Department will work together with a workgroup that includes, but is not limited to representatives from: the Whole Families Approach to Jobs Chapter, Child Care Advisory Council Executive Team, stakeholders, parents, and child care providers.

Update: The Department conducted a pilot from February 28, 2022- May 29, 2022 on full enrollment. This summer, the Department will analyze the results of the pilot and determine the next steps, if any.

7. By March 1, 2022, the Department will launch a pilot program with a local automotive dealership to develop a match program towards the purchase of a new or certified preowned vehicle. Using TANF balance funds for implementation. TANF State Plan will be updated for the pilot.

Update: This program is available to TANF participants. Instead of creating its own program, the Department has been able to access the Take the Wheel Program for TANF participants. The Department will provide up to a \$1,000 in match for a down payment for program participants. Grappone Automotive partnered with Lakes Region Community Developers and Franklin Savings Bank to offer the Take the Wheel Program statewide.

8. By March 1, 2022, the Department will update the TANF State Plan and amend the administrative rules to change the TANF disregard and expand the education requirements allowed. TANF balance funds will be used for implementation.

Update: The Department is moving forward with this and submitted an updated TANF State Plan and Work Verification Plan with the Administration for Children and Families by August 1, 2022.

9. By March 1, 2022, increase the SNAP Gross Income limit. This will require approval by the NH Legislature's Health and Human Services (HHS) Oversight Committee. The SNAP State Plan and the administrative rules will also be amended.

Update: The Department will increase the SNAP gross income limit for Broad Based Categorically Eligibility (BBCE) from 185% to 200% of the federal poverty guidelines. The Department is planning to bring this to the HHS Oversight committee in the Fall of 2022. There are no SNAP rules to be amended. It is estimated that over 500 families will benefit from this change of eligibility.

10. By September 2022, the Department will develop a Request for Proposal for a post-TANF Support Program. Using TANF balance to fund this program.

Update: The Department has released a Request for Proposal for a post-TANF Support Program.

In addition to the action steps outlined in the Benefit Cliff Plan, the Department has begun work in other areas that will aid in mitigating the cliff effect:

- Originally, the Department was exploring the addition of the Heat and Eat payment to SNAP participants that also receive a housing subsidy. This would have resulted in a one-time annual stipend of \$20.01. Instead, the Department has worked with the Community Action Program (CAP) agencies to increase access to LIHEAP, which at a minimum provides \$274/year for heating costs.

Statewide, the average benefit through LIHEAP is \$1,343/year. SNAP participants are automatically eligible for LIHEAP; they do not need to be receiving a housing subsidy and must be paying for their own heat.

Enrollment of SNAP participants in LIHEAP has been low; in partnership with the CAPs, the Department has created a data sharing agreement; so that when a household becomes eligible for SNAP, the CAP agency is notified (with participant consent) and then the CAP agency will contact the participant for enrollment.

The Department determined that moving toward the LIHEAP solution was better for families. This is targeted to be operational in October 2022.

- The Department is finalizing Administrative Rule He-C 6910, which will disregard TANF income for the NH Child Care Scholarship, as well as child SSI income. This is planned to go before the Joint Legislative Rules Committee in the Fall 2022. These changes will enable more families to participate in CCDF Child Care Scholarship Program and may result in a lower cost share.
- The Department is finalizing the amendment of Administrative Rule He-W 654.14, which will adjust the child care deduction for TANF for children age 0-6 and school aged, ages 6 plus. This will assist with the benefits cliff, as it will enable families with children 6 and under, who tend to incur high child care costs, to receive a higher deduction in their TANF budget, which results in a higher TANF grant.