

# State of Nevada's Fiscal Responsibility Act of 2023

## Pilot Project Proposal Narrative



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## **Theory of Change**

The State of Nevada's Department of Health and Human Services' (DHHS) Division of Welfare and Supportive Services (DWSS) is excited for the opportunity brought on by the Fiscal Responsibility Act of 2023 allowing Nevada to apply to be one of five states to pilot new performance and accountability measures for the Temporary Assistance for Needy Families (TANF) Employment and Training program which in Nevada is known as New Employees of Nevada (NEON). We are eager to show evidence that family stability and well-being performance outcome measures promote stronger employment outcomes versus focusing solely on work participation rates (WPR). Nevada wishes to capitalize on research that shows family economic stability through employment serves as a protective factor in supporting broader family health and well-being.

Nevada seeks to implement strategies that maximize new flexibilities in employment and training activities and case management services to improve outcomes related to employment and well-being for TANF participants and families in Nevada communities. The flexibility provided by the removal of the requirements of section 407 of the Social Security Act allows Nevada to meet participants where they are in their lives and to address the individual's barriers to improve employment outcomes and reduce or eliminate the need for public assistance. If selected as a pilot state, Nevada will implement alternative performance measures to enhance our service delivery model and improve outcomes for participants. Nevada will strive to ensure assigned activities are designed to improve employment, earnings, stability and well-being and are steps toward financial independence.

The biggest challenge Nevada intends to address with this pilot design is the numerous extensive barriers that participants face that must be removed prior to successful engagement in

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career pathway activities. Through years of serving high barrier populations in the NEON program DWSS has gained an understanding of the challenges faced by these populations and participants need to be able to solely participate in stabilization activities prior to focusing on career pathway activities. This family stabilization first approach will allow participants to focus on barrier removal and family well-being with the goal to gain and maintain sustainable employment. With the requirements of Section 407 of the Social Security Act in place, states including Nevada have historically focused on engaging participants into countable activities as soon as possible to increase participation rates with minimal focus on engagement in activities needed for long-term maintenance of sustainable employment. Nevada intends to prove that by changing the initial focus to removing barriers and focusing on family stability and well-being outcomes will lead to positive employment outcomes reducing or eliminating the need for public assistance and allowing families to experience economic independence to the greatest extent possible.

In October 2020, Nevada implemented a new case management model that focuses on participant engagement, interactions, and supports. If Nevada is selected to participate in the pilot, it will give our program the opportunity to expand on these changes by modifying work engagement activities to assist with stabilization of participants to increase successes and build confidence. The interventions are expected to stabilize a family before focusing on education and/or employment. Once a participant is employment ready, they will be given the opportunity to focus on building employment skills, participating in appropriate training for in demand careers in their communities and successfully obtain employment. The skills the participant gains in the phases focused on engagement and stabilization will allow them to overcome future

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challenges they may face with success and continue to thrive in their careers and with their families.

In addition, the DWSS has a Workforce Development Unit (WDU) that actively participates in the Nevada workforce system identifying current and upcoming educational and employment opportunities for NEON participants. The WDU has established relationships with our local workforce boards and American Job Centers which allows our agencies to braid funding for educational opportunities. This unit also establishes relationships with employers to provide career pathways for participants. The flexibility of the allowable interventions through this pilot will assist participants with gaining stability before attempting to engage in educational and employment activities. These opportunities developed by the WDU will assist with increasing the training completion rate for our TANF-NEON participants, successful job placement, and encourage more participants to engage in these opportunities.

In the Economic Domain, Nevada's interventions will focus on removal of significant and minor barriers to family and economic stability and gaining the skills necessary to compete for jobs in in-demand career pathways that allow for future advancement. The interventions Nevada intends to implement in this pilot will allow the participant to focus on stabilization through barrier removal first, then obtaining the skills necessary for their career pathway, and then seeking employment. Program participants will be allowed to engage in and focus on mental health improvement, substance abuse disorder treatment, seeking services for domestic violence, education not only for post-secondary and/or vocational training but also High School Equivalency and basic life skills. This approach will allow NEON participants to stabilize and be ready to achieve successful careers, experience less personal turmoil, and improve long term economic stability for themselves and their families. When individuals are allowed to address

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traumas that are impacting their overall health and family well-being, they can focus on a positive future, skills obtainment, and employment success.

Nevada will also focus on interventions in the social and education domain to further stabilize the family and support economic outcomes. The interventions Nevada intends to implement in this pilot will include healthy relationships with others, positive parental engagement, and educational opportunities which will assist the participant with gaining necessary skills for a positive lifestyle with appropriate social interactions which encourages positive outcomes for all members of the family. The participants will be allowed to engage in parenting classes and workshops, healthy relationship building and engagement trainings, financial classes, engagement in childcare and school activities for their child(ren), community activities intended to encourage child/parent bonding or improving educational outcomes for their children and signing up for other resources intended to assist with improving nutritional, educational and health outcomes for their child(ren) and self. These interventions are expected to improve family stability and encourage healthy parent child relationships to foster an environment that is conducive to successful educational outcomes leading to financial family stability through employment.

Nevada has selected these interventions to focus on because all TANF-NEON households face at least one barrier to employment and the success and well-being of the participant impacts the lives of their child(ren). Per a brief issued by the Urban Institute in August 2011, “The likelihood of work declines as the number of barriers increase.” Of the participants engaged in the TANF-NEON program, twenty-five percent have identified intensive barriers and of these participants 15 percent of them identified severe barriers. In addition, “Poverty can also present challenges to child development due to its potential negative effects on parental well-being. As

the primary source of safety, security, and nurturance for young children, parents play a critical role in creating environments that promote healthy developmental outcomes and school readiness. However, poverty may be accompanied by limited education, unemployment, food and housing insecurity, poor health, mental health difficulties such as maternal depression, teen parenthood, and community violence. While many families provide strong and nurturing parenting to their children amidst these adversities, these stressors (especially when families are experiencing many at once) can compromise family well-being and affect parents' overall ability to provide the necessary supports that help children thrive.”, according to TANF-ACF-ASM-2016-03.

### **Family Stability and Well-Being Outcomes**

Nevada's focus in the economic well-being measure is family stabilization first approach allowing participants to focus on removing barriers to stabilize themselves and their families, then obtain the skills necessary for a selected career pathway with the goal to gain and maintain sustainable employment. We believe this approach will equip our TANF participants with the confidence necessary to compete for jobs in in-demand career pathways that allow for future advancement. Nevada proposes with this pilot that participants be allowed to engage in activities that are barrier removal focused such as mental health improvement, substance abuse disorder treatment, seeking services for domestic violence, education not only for post-secondary and/or vocational training but also High School Equivalency and basic life skills for a period and frequency that is based on the program's requirements. The trackable measure of this proposed intervention would be engagement for the assigned program's required hours, meeting established program standards, or professional provider's reported determination of barrier

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reduction and readiness for additional activities. Successful outcomes would be completion of the course/training, program, treatment or reduction of treatment to maintenance level. Nevada believes that taking the time needed to remove barriers and stabilize participants' home life and family will lead to positive employment outcomes and financial independence.

Nevada is also interested in achieving positive outcomes in the education and social domains to further the well-being of families and support economic growth. The allowable activities will provide the participant with the opportunity to gain social support and skills to further stabilization and preservation of success by providing options to gain knowledge for problem solving and basic life skills. This will assist our TANF eligible population to reach their highest levels of financial independence and sustain this achievement. Nevada looks to have participants gain skills under these domains to give them the option to not only achieve their own successes but focus on their child(ren) to encourage their successes with a multi-generational approach with an emphasis on parental engagement and healthy positive relationships.

The interventions proposed in this domain will promote healthy relationships with others, positive parental engagement, and educational opportunities which will assist the participant with gaining necessary skills for an advantageous lifestyle with appropriate social interactions encouraging positive outcomes for all members of the family. Our TANF-NEON eligible participants will be encouraged to engage in parenting classes and workshops, healthy relationship building and engagement trainings, financial classes, engagement in child care and school activities for their child(ren), participating in community activities intended to encourage child/parent bonding or improving educational outcomes for their children, and signing up for other resources intended to assist with improving nutritional, educational and health outcomes for their entire family. In addition, these new interventions introduced will lead to improved child

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attendance at school, child's participation in needed medical, mental health, or other health related resources, applying/signing up for additional supports that the family or participant qualifies for, and/or engagement in community, school, and/or childcare provider activities related to parental engagement. These activities are intended to foster an environment of support and encouragement to increase successful educational and employment outcomes for participants. The measures for these interventions will be based on active engagement in the allowable activities and successful completion. We believe that strong family support will encourage positive long-term stability and well-being that will in turn result in financial stability and independence.

For the interventions in this pilot Nevada will implement a two-part tracking system to measure the success of the interventions. Initially we intend to track program engagement of each assigned activity to ensure the individual is actively working toward successful removal of their barriers, parental engagement, gaining life skills, and participation in educational programs. We will also track the completion rate of the assigned activities. Participation in these interventions for the economic, education, and social domain is expected to improve family well-being by encouraging healthy parent child relationships and engagement, removing barriers to success, and creating a supportive environment conducive to successful educational outcomes leading to financial stability through in-demand careers. The increased interventions for this pilot will also allow Nevada the flexibility to respond to State and National economic changes.

After being focused for years on the WPR requirements in Section 407 of the Social Security Act, Nevada anticipates there will be challenges in training staff in the new policies, procedures, and philosophies being introduced with these new interventions. Our staff will be ready to take on these exciting and positive changes to make a larger impact on the lives of some

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of our most vulnerable Nevadans. The NEON case management system will also need to be updated to allow for tracking of the new allowable interventions and measures. In addition, changes to and creation of new automated reports will need to be made to accommodate the new interventions and measures. Finally, Nevada will need to update existing and create new forms, update the Work Verification and TANF State Plans, issue new policies and procedures, and update supervisory review tools. If selected for this pilot Nevada will seek technical assistance from the Administration of Children and Families (ACF) to analyze and interpret shared data from other states to assist in determining best practices for modifying and implementing new processes, procedures, philosophies, and system updates. Nevada is excited for the opportunity to meet with ACF and its federally funded technical assistance provider to establish, refine and negotiate supports that will assist Nevada in removing barriers, increasing educational opportunities and skills attainment, helping to gain meaningful careers, and improving family well-being for our TANF recipients by making all changes necessary to implement these new changes for the pilot.

### **Service Population**

The interventions proposed in this pilot will benefit all TANF-NEON recipients in the State of Nevada. In State Fiscal Year (SFY) 2024, Nevada served approximately 3,600 NEON program participants per month. Each of the households we serve have barriers to financial independence and at least one child in the home. The barriers our households are experiencing vary in severity and type due to differences in economic, educational, cultural, geographical, religious, and other situations.

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Twenty-five percent of our TANF-NEON participants have been identified as having more intensive barriers and are case managed by the social work staff to address these needs. Of these participants, 15 percent of them have more severe barriers that require case management by specialized social work case management staff, who have a lower caseload due to the increased needs of these participants. It is important that each program participant be allowed to address their barriers prior to engagement in educational or employment activities for long-term and meaningful success; however, the amount of time and types of activities to overcome these barriers vary by household. The interventions in our proposal are intended to provide flexibility to focus on addressing all types of barriers to stabilize the participant and their family prior to engagement in educational and career opportunities. Nevada believes that permitting participants to partake in programs and activities for the amount of time required to remove barriers and stabilize meets the customer where they are in their lives which promotes equality.

To identify the potential barriers and interventions best suited to the TANF-NEON participant in-depth assessments will be completed by eligibility and TANF-NEON case management staff. The level of support required will be identified during these assessments and the participant will be assigned to work with the appropriate level of case management staff to develop a plan to successfully engage in activities that will meet the needs of the participant and their family. When appropriate, the case manager will provide referrals to resources that will assist the participant in achieving their goals and overcoming any barriers to achieving these goals while strengthening their social and family supports. The participant will have ongoing interaction with case management staff who will provide support for helping them achieve short- and long-term goals and assist with recognizing and removing unexpected barriers that arise. If a participant chooses not to engage in agreed upon activities to remove barriers, improve education

level, or for employment, Nevada has established sanction policies that will be utilized when appropriate. This approach gives Nevada's TANF program the ability to serve its entire TANF-NEON eligible population regardless of region, education, culture, religion, physical and mental health status, and other demographics to reach their highest levels of financial independence.

### **Implementation Capacity**

The Employment & Support Services (ESS) and Eligibility & Payments (E&P) units within DWSS will work together to develop new or update existing policies and procedures necessary to implement the new interventions being created with the removal of the provisions of Section 407 of the Social Security Act. This pilot design has the support of administration at all levels of the State of Nevada, from the Governor's office to the Department of Health and Human Services and administration and management of DWSS. With the multilevel support throughout administration in Nevada, there is the ability to make any necessary changes to the NEON program and the TANF State and Work Verification Plans that would be essential if the policies and procedures are updated. Although it is not anticipated, there would also be the capacity to request the modification of Nevada Revised Statutes if deemed necessary.

Nevada intends to take advantage of this unique opportunity to leverage the new case management model that focuses on participant engagement and interaction with the proposed interventions of our design pilot to remove barriers from our TANF eligible population by encouraging program engagement for the period it takes to successfully complete the assigned programs designed to remove identified barriers. This pilot would give the opportunity to expand on the case management changes made recently to further modify work engagement

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activities that assist with stabilization of participants to increase successes and build confidence leading to positive economic outcomes. The NEON program also works closely with the Workforce Boards throughout Nevada to braid TANF and federal funding to train TANF participants, with this pilot Nevada will be able to expand the services offered and align more with Workforce Innovation and Opportunity Act (WIOA) initiatives.

Nevada intends to ensure the philosophies being introduced with these new interventions have staff buy-in and the customers are receiving the intended services by utilizing our existing internal Training unit. The Training unit will develop and administer staff trainings with assistance from our Social Services Program Specialists for the NEON and TANF program and management of field operations.

Nevada would need to update our NEON case management system to track the new outcome measures to include engagement and completion of assigned activities. Nevada plans to utilize the in-house information technology (IT) staff to implement the NEON case management system updates and development of new or updates of existing reports. The internal IT staff have current system knowledge making the changes more streamlined. Within Nevada's IT staff there are certified Project Management Officers to ensure projects stay on required timelines. Nevada also has an internal test team and pre-production test region that simulates real life scenarios to ensure system changes work as designed prior to being released into production. Nevada's Reports team will be simultaneously developing and testing reports that will be ready to go live with the system changes to capture the new activity hours and requirements brought forth with this pilot design.

To ensure accountability and effectiveness in the administration of the pilot, program and management staff will continue to work together to ensure the program evaluations are

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completed at predetermined increments of time decided by the State of Nevada, ACF and the contracted support team. This includes ensuring supervisory and quality assurance case reviews are completed in a timely manner and are based on the new philosophies, policies and procedures that are being introduced with this pilot, and feedback is provided to staff. Creating reports to monitor data and outcomes and incorporating this information into NEON management and team meetings to discuss will aid Nevada in determining best practices and areas for improvement. There is also an anticipation that support services expenditures may increase as the philosophies change to encourage a more supportive program for participants to overcome barriers. Nevada understands the potential costs of the pilot changes and has the funding needed to make the design a success.

### **Collaboration and Partnerships**

Nevada's NEON program currently collaborates and has partnerships with government agencies, community-based organizations, and other community resource. The DWSS Workforce Development Unit actively participates in the Nevada workforce system and has established relationships with local workforce boards. Divisional staff are located in EmployNV Career Center/Hubs in the Northern and Southern Nevada and affiliated library sites in Southern Nevada. These relationships help to synchronize efforts and promote multi program coordination through efforts such as braided funding and soft-hand off referrals. It also keeps the Division apprised of in-demand careers and educational opportunities to meet the demands of our TANF population. The WDU identifies employer relationships and helps to establish pipelines to high quality employment. The opportunity for flexibility in the pilot will help use to prepare additional participants for entry into these established educational and employment pathways and

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encourage additional options within these paths. It is intended to strengthen these partnerships by closer aligning the TANF outcome measures with WIOA measures to encourage further program goal conformity.

The DWSS NEON program has established partnerships to provide substance abuse treatment, domestic violence resources, and healthy relationship trainings. In addition to formal partnerships, the Division also uses informal partnerships. The NEON employment and training team identifies community partners and other government agencies with services that would be beneficial to our program participants for informal referrals. Through the pilot Nevada, would like to expand our partnerships and create additional partnerships to provide additional barrier removal and educational services. There are services in the community that may be underutilized by NEON participants due to the focus on countable activities. The focus on stability first would allow our program participants to focus on actively engaging in services to overcome barriers instead of focusing on finding a countable activity that may not help the participant to find lasting success and well-being.

In addition to TANF, the DWSS administers the Supplemental Nutrition Assistance Program (SNAP), Medicaid, Child Support, Child Care, and the Energy Assistance Program. These programs are beneficial to TANF-NEON participants and can provide additional supports to improve TANF family outcomes. These programs have positive established relationships with NEON that can be built upon when needed to help support this pilot. These programs also have established partnerships with community partners that can be explored further to increase our services to NEON participants.

To provide the most effective services for fostering parent-child relationships and encouraging positive child outcome, it is important to collaborate and establish relationships with

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school districts across the state. These relationships would provide beneficial information for parent engagement and opportunities to work together to improve supports for TANF-NEON families.

Through years of serving high-barrier populations in the NEON program, DWSS has gained an understanding of the challenges they face. Additionally, a DWSS staff member who was a former NEON participant provided input on the pilot interventions selected. This staff member will be actively engaged in the pilot and implementation. The Division would like support in establishing a more formalized process to incorporate feedback from individuals with lived experience into the pilot design and implementation. Through this pilot the Division would also like to engage participants in the Community Work Experience Program (CWEP) within DWSS district offices and/or hired by the Division after participating in the NEON program to document feedback on their experiences to assist with further development of philosophies, policies and procedures. Furthermore, DWSS currently has an electronic communication system that would be used to gain information and understanding from TANF-NEON participants to incorporate into the pilot design and throughout the pilot lifecycle.

### **FRA Pilots Federal Implementation and Outcome Study**

Nevada is willing to participate in the federally funded implementation and outcome study to document lessons learned from the pilot and provide information for learning opportunities for other entities. We will engage with the technical assistance provided by ACF and cooperate with the third-party contractor to establish research questions and provide required information and data.