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WorkFirst Evaluation: Phase II Process Study Report 99-11

This report represents the second phase in the legislatively mandated evaluation of the effectiveness of WorkFirst, Washington's welfare reform.

WorkFirst is an evolving, changing program. Its evolution and complexity, coupled with the impact of a 31 percent caseload reduction, is the focus of the report.

JLARC's major findings are:

- WorkFirst is developing strategies for managing the remaining caseload, with an emphasis on helping clients develop skills, keep employment, and increase wages. There is a strong belief that the remaining caseload is composed primarily of the "hard-to-serve." WorkFirst staff contend these clients take more time and require more services before they can become employed or stay employed.
- The mandatory nature of WorkFirst now makes the needs of these clients more "visible." An analysis of select caseload characteristics shows a modest increase in the proportion of clients who have characteristics which may slow their progress in getting jobs and leaving welfare.
- If services for clients are to be effective, coordinated case management and service delivery take on renewed importance, with improved local area planning a must. Yet major information systems have problems which inhibit the effective management of caseload and resources. A plan for improving the data systems should be developed and implemented immediately.
- Progress has been made in developing performance-based contracts. However, the establishment of contractor performance benchmarks has not occurred, as the law requires.

WorkFirst Continues to Change

The WorkFirst program continues to change and evolve. Since our first report in December 1998, new program components have been developed, as have new techniques for managing the caseload.

Many of these developments have come about because of the 31 percent decrease in the welfare caseload.

WorkFirst staff believe that the remaining caseload is composed primarily of the "hard-to-serve."

The principal issue may be that these clients have always been part of the welfare caseload, and the mandatory nature of WorkFirst forces the program to develop new methods for dealing with the remaining caseload.

Need for Coordination and Planning

The needs of the “hard-to-serve” place added pressure on WorkFirst to carefully coordinate services. In Washington, the Department of Social and Health Services (DSHS), Employment Security Department (ESD), Community Trade and Economic Development (CTED), and the State Board for Community and Technical Colleges (SBCTC) have responsibility for implementing WorkFirst. At any one time, it is possible for a client to be served by all four.

For the most part, the intense effort to adjust, improve, coordinate, and deliver services while implementing new program components is working. Local area planning replaced regional planning, putting an emphasis on involving the staff of local agencies and service providers. Close interagency coordination will be needed to make future planning efforts more cohesive and less time consuming for staff.

Information Systems

Information systems have not kept up with the program coordination efforts of WorkFirst. An effort to develop a new computerized case management system failed. Given the complexity of the program and the needs of the “hard-to-serve” clients, an integrated case management system becomes increasingly important. Knowing “who is doing what” in a timely manner is a key to program efficiency, yet current systems fall far short of supporting this effort.

Contracting for Services

The legislature, in creating WorkFirst, attempted to ensure better program outcomes by requiring agencies to develop performance-based contracting. DSHS and ESD have made progress since 1997 in implementing such practices, but they have not established acceptable levels of performance and benchmarks for those levels, as the law requires.

Report Recommendations

1. DSHS, ESD, CTED, and SBCTC should establish local interagency teams to lead, facilitate, and coordinate local area planning.
2. DSHS, ESD, CTED, and SBCTC should develop a plan for improving the information systems that support the WorkFirst program. The plan, led by the sub-cabinet management structure, should include:
 - ? Goals for improving information systems and eliminating duplicative data;
 - ? A timeline for each major milestone in the plan, as well as ideas for data sharing among state and local agencies and service providers;
 - ? The identification of ways to remove barriers to data sharing; and
 - ? The inclusion of end-users, particularly local office staff in DSHS and ESD, in the development and implementation of the plan.
3. To evaluate the impact of contracted services in the WorkFirst program, DSHS and ESD should identify benchmark levels of service delivery performance as mandated by the legislature.