

FORM ACF-202 – TANF CASELOAD REDUCTION REPORT

Date of Completion: December 2025

State: Tennessee

Fiscal Year to which credit applies: 2026

Overall Report X
Two-parent Report (check one)

Apply the overall credit to the two-parent participation rate? X yes
 no

PART 1 –Eligibility Changes Made Since FY 2005

(Complete this section for EACH change)

1. Name of eligibility change: Annual Increase of the Consolidated Need Standard/Earned Income Disregard

2. Implementation date of eligibility change: July 1, 2021

3. Description of policy, including the change from prior policy:

The Families First benefit does not meet 100% of need as defined by the Consolidated Need Standard (CNS). A standard benefit amount is set for each family size based on available state and federal funds. Income available to the assistance group (after all appropriate disregards and deductions have been applied) is subtracted from Consolidated Needs Standard to determine the deficit. Benefit is the deficit or the standard benefit amount for the assistance group size, whichever is less.

The Consolidated Need Standard for FY15 was \$1066 (based on the average family size of 3). Effective July 1, 2021, Tennessee’s CNS increased to \$1,549 (based on the average family size of 3).

4. Description of the methodology used to calculate the estimated impact of this eligibility change
(attach supporting materials to this form):

Based on Tennessee’s current CNS which has been effective since July 1, 2021, we looked at the number of families each month in FFY25 with an income greater than or equal to the CNS effective FFY 2015. The average number of total families was 492.

Data source: TANF EBMS Reports

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: 492

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1. Name of eligibility change: Drug Testing

2. Implementation date of eligibility change: July 1, 2014

3. Description of policy, including the change from prior policy:

State Senate Bill 2580 was signed into law May 21, 2012, requiring the TN Dept. of Human Services to implement a program for suspicion-based drug testing for Families First (FF)/TANF applicants. Effective July 1, 2014, new FF applicants who are otherwise eligible, meaning those who would be included in the TANF grant, must comply with drug testing requirements. The applicant must agree to:

- Complete a drug screening questionnaire form;
- Undergo a drug test, if applicable; and
- Participate in a substance abuse treatment program if applicable.

The Department shall determine whether an individual has good cause for failure to participate or complete the drug treatment program by considering whether failure to comply is the result of circumstances beyond the applicant's control, and requirements of the applicant's drug treatment and/or recovery support program. If good cause exists, the Department shall work in collaboration with the substance abuse evaluation agency to amend recipient's drug treatment plan, when appropriate, so the recipient is able to complete drug treatment requirements consistent with his/her abilities. If, after amending the recipient's drug treatment plan, the recipient fails to begin, participate in, or complete the drug treatment program, the recipient shall be ineligible for six (6) months. After (6) month's disqualification period, the recipient whose plan was amended shall submit to another drug test as would any other recipient who was disqualified.

4. Description of the methodology used to calculate the estimated impact of this eligibility change:
(attach supporting materials to this form)

Cases were selected with the following denial reason codes in EBMS:

EL1081: Failure due to refusal to go for drug testing
EL1084: Failure to complete drug screening requirements
EL1085: Failure to report for drug testing
EL 1086: Failure to complete drug test

There was a total of 200 individuals who did not comply with drug testing requirements. The estimated average monthly impact for FFY25 was -17.

Data source: TANF EBMS Reports

5. Estimated average monthly impact of this eligibility change on caseload in comparison year: -17

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1. **Name of eligibility change:** Family Cap Elimination

2. **Implementation date of eligibility change:** July 1, 2024

3. **Description of policy, including the change from prior policy:**

Prior to July 1, 2024, Family Cap prohibited an increase to the Families First grant when a newborn was added to an assistance unit and the birth occurred more than ten (10) months after the application month. State Senate Bill 2078 was signed into law on March 15, 2024, eliminating Family Cap from Families First eligibility criteria. Effective July 1, 2024, the Family Cap policy no longer applies when determining an assistance unit's Families First grant amount. Any newborn added to a Families First assistance unit will have their needs included in the grant amount, regardless of date of birth, if all other eligibility requirements are met.

4. **Description of the methodology used to calculate the estimated impact of this eligibility change:**
(attach supporting materials to this form)

A special system batch job was generated prior to July 2024 to remove Family Cap rules and change the eligibility status for individuals previously identified as meeting Family Cap criteria from ineligible to eligible beginning with the July 2024 grant. This policy change impacts individual eligibility within an existing and otherwise eligible assistance unit and yielded no changes in the number of Families First cases. As such, we are claiming no impact on the caseload.

Data source: EBMS Reports

5. **Estimated average monthly impact of this eligibility change on caseload in comparison year:** 0

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PART 2 – Estimate of Caseload Reduction Credit

(Complete Part 2 using Excel Workbook provided.)

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PART 3 -- Certification

I certify that we have provided the public an appropriate opportunity to comment on the estimates and methodology used to complete this report and considered those comments in completing it. Further, I certify that this report incorporates all reductions in the caseload resulting from State eligibility changes and changes in Federal requirements since Fiscal Year 2005.

(signature)

(name)

(title)