

## Human Services Privatization Efforts by Program/Service Area

Compiled by NCSL, February 2016

### Temporary Assistance for Needy Families (TANF):

Some are using private for profit companies, such as Maximus, ResCare, or Public Consulting Group (PCG) to provide case management and employment services. Most are using nonprofit organizations or partnering with community colleges or other workforce entities to deliver a variety of services including job training and employment services. Unfortunately NCSL does not have a comprehensive list of all states and the level of privatization.

Maximus is fairly active in pursuing contracts with states on a variety of public programs, including workforce services and TANF. Here is a link to their website and their workforce services:

<http://www.maximus.com/workforce> You will see the links to the TANF services and their related projects. Wisconsin Works and the LA County program (LA GAIN) are their main TANF contracts. They also work in Washington, D.C., Alaska, Milwaukee, Nashville, Orange County and Phoenix.

If you wanted to learn more about Wisconsin's experience, I have attached an informational overview of the program as well as the recent budget document. You can find the W2 overview on pages 171-182. Here's the most recent audit I could find on W-2: <http://legis.wisconsin.gov/lab/reports/05-6full.pdf> Paul Stuibler and Dean Swenson of the Legislative Audit Bureau would be good contact persons if you wanted more details: (608) 266-2818.

ResCare provides a variety of services from home care to workforce and education and training. They have more information on their website and the locations where they are working:

<http://www.rescare.com/>

Public Consulting Group (PCG) provides a variety of both services and business management solutions across many human services programs, including TANF. You can find out more about their work and areas of expertise here: <http://www.publicconsultinggroup.com/about/index.html>

Indiana attempted to privatize their eligibility systems for welfare, Medicaid and SNAP. The state ran into many problems with the contract and eventually canceled the contract with Affiliated Computer Services (ACS).

### Child Welfare

Reports show up to 14 states with some level of privatization. No states have privatized investigations, but states often use private contractors to provide case management and other services.

Nebraska has been investigating the possibility of changing their privatization contracts due to recent challenges. Here is a link to a 2014 report to the legislature on the topic:

[http://www.nebraskalegislature.gov/pdf/reports/committee/select\\_special/execbd/execbod\\_privatization\\_2014.pdf](http://www.nebraskalegislature.gov/pdf/reports/committee/select_special/execbd/execbod_privatization_2014.pdf)

Alliance for Strong Families – 2011 article <http://alliance1.org/magazine/issue3-11/privatization-child-welfare> with a map of the states and level of privatization

Arizona, DC, Florida, Illinois, Kansas, Michigan, Missouri, Nebraska, New York, Ohio, South Dakota, Tennessee, Wisconsin, and Wyoming

Other resources include:

U.S. Department of Health and Human Services, Administration for Children and Families, Children's Bureau, Child Welfare Information Gateway:

<https://www.childwelfare.gov/topics/management/funding/fiscal-reform/privatization/>

Reason Foundation – Annual Privatization Reports

<http://reason.org/publications/annualprivatizationreport/>

### **Child Support**

A recent report by the Mississippi legislature indicated 44 states using private companies for some aspect of child support enforcement services. Pages 10-12 of this report provides the details:

<http://www.peer.state.ms.us/reports/rpt567.pdf>

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