

*Prepared for:
State of South Carolina
Department of Social Services*

**Welfare Leavers and Diverters
Research Study**

**One-Year Follow-Up
of Welfare Leavers**

**Executive Summary and
Extended Research Summary**

March 2001

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EXECUTIVE SUMMARY

This report presents the first-year findings from a study of families who left welfare in South Carolina between October 1998 and March 1999. The primary objective of the study is to assess the employment status of the families, their earnings and household income, any hardships experienced since leaving welfare, access to food and health care, and the well-being of the children. In addition, the study examines how families have been affected by new program rules under welfare reform, including time limits and full family sanctions for non-compliance with work requirements. Information on the families is being gathered through three rounds of annual telephone interviews after the respondents left welfare.

A. POLICY BACKGROUND OF THE STUDY

The study of welfare leavers was funded by the Office of the Assistant Secretary for Planning and Evaluation (ASPE) of the U.S. Department of Health and Human Services, and was also sponsored by the Administration for Children and Families (ACF). In its 1997 State Welfare Reform Evaluation Guidance document, ACF stated that “a very important ACF priority is to understand the characteristics of families that leave assistance rolls because of program rules and increased earnings, as well as to understand family and child characteristics and outcomes that may be affected by program requirements such as time limits and sanctions.” ACF expressed particular interest in tracking families in states where the welfare caseloads had declined rapidly due to such policies as full family sanctions.

South Carolina’s welfare reform program – known as the Family Independence program – was implemented in January 1995. Full family sanctions and a two-year time limit on benefits were implemented in October 1996. The state’s welfare caseload declined sharply after FIP was implemented. Early data published by the South Carolina Department of Social Services (SCDSS) indicated that about 25 percent of the cases were closing due to sanctions. Families first reached the two-year time limit in October 1998.

B. FOCUS ON DIFFERENT TYPES OF WELFARE LEAVERS

To address the policy objectives described above, the study is focusing on four specific groups of welfare leavers:

- Families who left welfare due to earnings -- this group includes families who appear to have “successfully completed” the Family Independence program by obtaining employment or higher earnings.
- Families who left due to sanctions -- this group consists of families who were terminated from welfare due to non-compliance with program requirements.
- Families who reached the two-year time limit -- this group involves families who were directly impacted by the new program rules providing for time limits on benefits.

- Families who left for “other” reasons – this group involves families who left for any other reason besides the three identified above. An important segment of this group are families who left for unknown reasons after not showing up for scheduled redetermination interviews.

The families who left welfare due to sanctions and time limits may be regarded as “involuntary” welfare leavers who left because of the new program rules. Both ACF and SCDSS have special concerns about the long-term status of these families, including their economic situation, employment status, deprivation, and the well-being of the children. There is also interest in how well the sanctioned group understood the program rules and why they did not cure their sanctions.

With regard to families who left for “other” reasons, a major focus was on finding out whether these families were aware of the benefits and services that families can continue to receive after they leave welfare. Specifically, there was concern that families who do not show up for redetermination meetings cannot be reminded by caseworkers of the different programs and services available to families after they leave welfare – including Medicaid, Food Stamps, subsidized child care, and other benefits.

C. REVIEW OF KEY FINDINGS

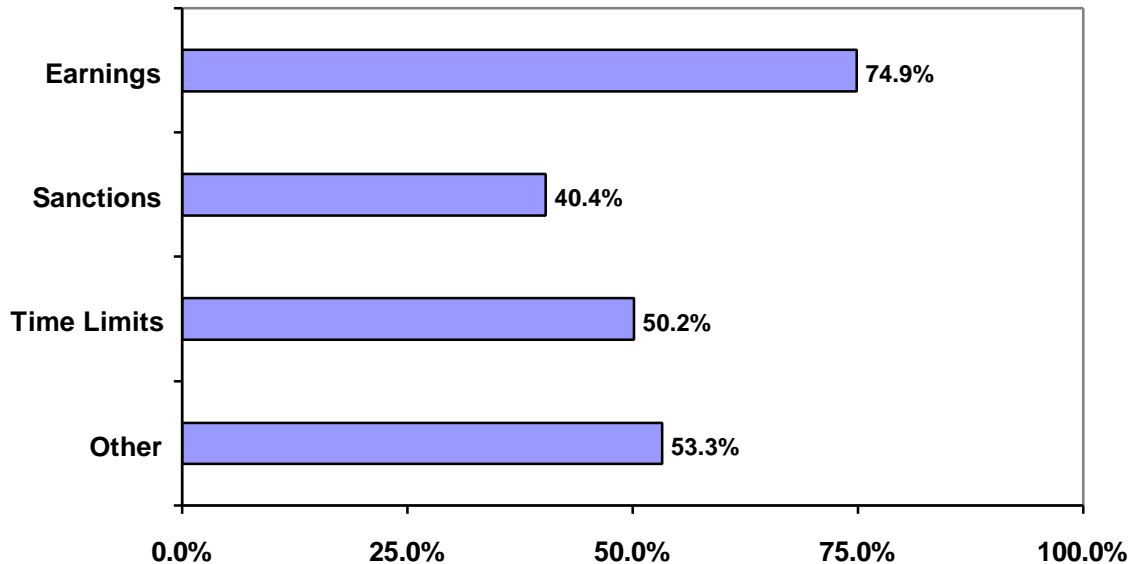
The major findings of the study are summarized briefly below. The policy implications of the findings are reviewed in Section D.

Differences in Employment Status at Follow-Up

As shown in Exhibit 2, the four groups of welfare leavers varied considerably in terms of the percentage employed one year after leaving welfare. Among respondents who were still off welfare, 75 percent of the persons who left welfare due to earnings were employed, compared to only 40 percent of the sanctioned families, 50 percent of the families who left due to time limits, and 53 percent of those who left for “other” reasons. In addition, among persons who were working, those who had left due to sanctions were the least likely to be working full-time. Among *all* respondents, 74 percent of those who had left due to earnings were employed, compared to 38 percent of those who had left due to sanctions, 50 percent of those who had left due to time limits, and 52 percent of those who had left for “other” reasons.

One of the factors that may partly explain the differences in employment rates among the four groups is the impact of education. Among all respondents, it was found that only 50 percent of the persons who had *not* completed high school were working at follow-up, compared to 66 percent of those who had completed high school only, and 72 percent of those who had attended a two-year or four-year college. The lower employment rates among the sanctioned group may partly reflect the large percentage of high school drop-outs among sanctioned cases.

EXHIBIT 2
PERCENT OF RESPONDENTS WHO WERE EMPLOYED AT
FOLLOW-UP, BY REASON FOR LEAVING WELFARE



Household Income Among Respondents Still Off Welfare

The four groups of welfare leavers also varied considerably in terms of reported household income at follow-up among families still off welfare. Almost 57 percent of the persons who left welfare due to earnings reported household income of \$1,000 per month or more. This compares to only 26 percent of those who left due to time limits and 26 percent of those who left due to sanctions. Again, education seems to be a key factor. Only 36 percent of high school drop-outs reported income of \$1,000 per month or more, compared to almost 60 percent of those who had attended college.

Hardship and Adverse Events Among Families Still Off Welfare

Despite the differences in employment and income, the four groups of welfare leavers did not differ substantially in terms of most of the hardship indicators – such as getting behind in rent, having to move due to lack of money, or having to place children with someone else. However, a relatively high percentage of respondents who had left welfare due to time limits had had their electricity or heat cut off in the last year, and a relatively high percentage of sanctioned clients had had their electricity or water cut off.

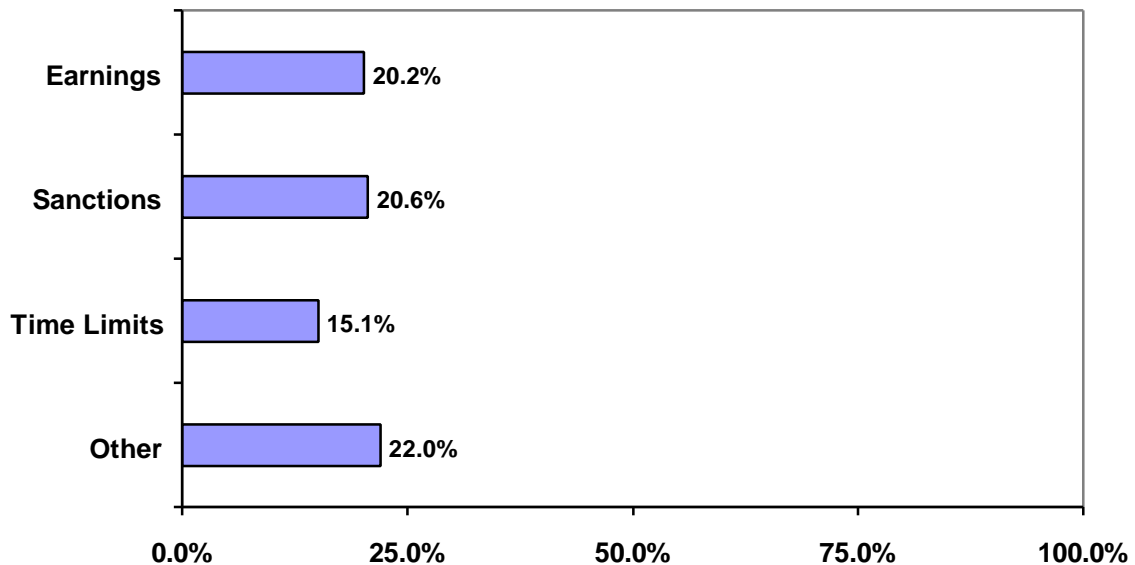
Access to Medical Care Among Families Still Off Welfare

Among families who were still off welfare, a relatively high percentage (13 percent) of the persons who had left welfare due to sanctions or for “other” reasons reported problems with access to health care for family members in the past year. In addition, only 84 percent of the persons who left welfare for “other” reasons reported that they or the people they lived with had some type of health care coverage. This compares to 89 percent of the persons who left due to earnings, 89 percent of those who left due to sanctions, and 95 percent of those who left due to time limits.

Food Security Among Families Still Off Welfare

Among respondents who were still off welfare at the time of the surveys, there was not a major difference among the four groups of welfare leavers in terms of the percentage who reported having to cut the size of meals in the past year. Exhibit 3 shows that about 20 percent of those who had left welfare due to earnings, sanctions, or “other” reasons reported having a problem, compared to 15 percent of the time limit group.

**EXHIBIT 3
PERCENT OF RESPONDENTS WHO REPORTED HAVING TO CUT
THE SIZE OF MEALS OR SKIP MEALS IN THE PAST YEAR,
BY REASON FOR LEAVING WELFARE**



Life Since Leaving Welfare Among Families Still Off Welfare

Somewhat surprisingly, persons who left welfare due to sanctions or time limits were more likely than other respondents to agree with the statement that life was better since they left welfare. However, these same respondents were less likely than other respondents to agree that they hardly worried about money any more. Also, only 55 percent of the sanctioned group and 47 percent of the time limit group indicated that they had more money than when on welfare, compared to 70 percent of those who had left welfare due to earnings.

Child Outcomes Among Families Still Off Welfare

Respondents who were still off welfare were asked a series of questions about changes in their child's behavior, attitudes, temperament, school performance, and health in the past year. In general, 10 percent or fewer of the welfare leavers thought that their child's behavior, temperament, or school performance had deteriorated in the past year. There was not much difference among the four groups of welfare leavers in this area. In contrast, between 40 and 60 percent of all welfare leavers saw improvements in their child's behavior, temperament, or school performance in the past year, depending on the specific questions asked.

In terms of child health, 42 percent of all respondents rated their child's health as excellent, and 25 percent rated it very good. About 39 percent considered their child's health to be better than a year ago, while 3 percent rated it worse. These percentages did not vary much by reason for leaving welfare. However, less than 39 percent of blacks rated their child's health as excellent, compared to 51 percent of whites. In addition, 53 percent of those who had attended college rated their child's health as excellent, compared to only 36 percent of those who had not completed high school.

Use of Benefit Programs by Families Still Off Welfare

Food Stamp participation varied considerably by the reason for leaving welfare. About 86 percent of the families who left welfare due to time limits were receiving Food Stamps at follow-up, compared to 51 percent of the respondents who left due to earnings, 66 percent of those who left due to sanctions, and 50 percent of those who left for "other" reasons.

About 92 percent of the respondents who left welfare due to time limits were in a household that was receiving Medicaid at follow-up, compared to only 68 percent of those who left for "other" reasons. About 16 percent of those who left for "other" reasons were receiving SSI benefits, compared to 7-10 percent of other respondents.

Only 4 percent of those who left welfare for "other" reasons were receiving help with child care payments, compared to almost 29 percent of those who left welfare due to earnings. Only 7.5 percent of the persons who left welfare due to sanctions were receiving help with child care.

Knowledge of Benefit Programs Among Respondents Still Off Welfare

Overall, 73 percent of the respondents who were still off welfare knew that families could get Food Stamps after leaving welfare, but only 60 percent of the persons who left welfare for “other” reasons knew this. Almost 81 percent of all welfare leavers knew that families may continue to get Medicaid after leaving welfare. However, only 69 percent of the persons who left welfare for “other” reasons knew this. Overall, 65 percent of the welfare leavers knew that families may get help paying for child care after leaving welfare, but only half of the respondents who left welfare for “other” reasons knew this.

D. POLICY IMPLICATIONS OF THE FINDINGS

The findings from the study confirm that there are major differences in the characteristics of welfare leavers based on the reason for leaving welfare. Persons who leave due to sanctions or time limits are generally less educated than other leavers. This lack of education appears to play an important role in their prospects for finding and retaining employment after leaving welfare. In general, the findings suggest that many of the sanctioned clients, as well as some of the time limited clients, may not be adequately prepared to deal with the demands of the work place and the job market when they leave welfare.

It is difficult, however, to determine precisely how such factors as education and new program rules affect the long-term employment outcomes of different types of welfare leavers. In addition, there may be other factors besides education that explain low employment rates among sanctioned and time-limited clients -- factors that may not be easily measurable in this type of study.

For example, it is possible that the link between low educational levels and poor employment outcomes among welfare leavers is the result of other factors that explain the client’s failure both in school and in the work place. Such factors may include poor work ethic, “fear of the workplace,” personality disorders, mental illness, low intelligence, intergenerational welfare dependency, and lack of role models. Among the sanctioned population, these factors may also partly explain why the client chose not to comply with program rules or could not meet program requirements. Among the time-limited group, these factors may partly explain why the clients did not leave welfare until their benefits had expired.

For these reasons, the low rates of employment among sanctioned clients and time-limited clients may only partly be due to such factors as the difficulty of finding a job without a high school diploma. The most appropriate approach to helping these clients may not involve more education but rather services designed to deal with other barriers they may have.

The relatively poor employment outcomes among persons who leave welfare due to sanctions and time limits have implications for program policies and program design at the state and local level. For example, it may be helpful if state and local program officials were to implement procedures by which more in-depth assessments were conducted of clients who

are in different stages of the sanctioning cycle. These procedures would be designed to identify barriers that may be causing both the non-compliance and subsequent labor force problems. The findings also suggest that local programs should focus more attention in general on welfare clients who have not completed high school. As noted, the solution to the low employment rates among high school drop-outs may not be more education. However, more assessment may need to be conducted to identify the barriers that may be resulting in school failure and problems in the workforce.

Although employment rates and household incomes were much lower among families who had left welfare due to sanctions or time limits, these families were not generally doing any worse than other welfare leavers in terms of hardship indicators or child outcomes. It is also important to emphasize that the families who leave welfare due to sanctions or time limits do not all face significant employment barriers. For example, 36 percent of the persons who left welfare due to sanctions (based on administrative data) reported that they had a job when they left, while another 10 percent reported that they left welfare because they had too much earnings. These findings indicate that some of the “sanctioned” clients may have obtained employment at the same time they began to be sanctioned for non-compliance.

With regard to the persons who left welfare for “other” reasons, the study suggests that many of these clients may not be adequately informed about the program benefits available to families who leave welfare. Compared to other welfare leavers, they had less knowledge of continuing benefit programs, and were less likely to be using these programs. This finding suggests that state and local programs may need to do more to ensure that persons in this group receive adequate information about continuing benefits. This might involve more effective measures for communicating information to these welfare leavers after they leave welfare and while they are still on welfare. It should be recognized, however, that some of these clients may simply not want to deal with public assistance programs after they leave welfare.

EXTENDED SUMMARY

This report presents findings from a study of 1,072 families who left welfare in South Carolina between October 1998 and March 1999. The study provides information on the status of the families approximately one year after they left welfare. Information on the sample of welfare “leavers” was gathered through telephone interviews. About 93 percent of the respondents were still off welfare when they were interviewed.

A. OBJECTIVES OF THE STUDY

The primary goal of the study was to examine the status of the families in a number of key areas, including the following:

- employment status, earnings, and work hours;
- reasons for not working among persons not employed;
- “child outcomes” in terms of changes in child behavior, temperament, attitudes, and health status since the family left welfare;
- adverse events that had happened to the family since leaving welfare;
- access to food since leaving welfare;
- health care coverage and access to health care;
- changes in quality of life, self-esteem, and stress since leaving welfare;
- living arrangements and overall financial situation;
- use of public assistance programs since leaving welfare;
- understanding of benefits available to families no longer on welfare; and
- child care arrangements and transportation.

B. STUDY DESIGN

The study was based on a sample design using the following two sampling strata:

- **Reason for Leaving Welfare:** The sample consisted of four sub-groups based on the each sample member’s reason for leaving welfare, as reflected in the state’s administrative data systems. The four sub-groups were as follows:
 - persons who left welfare due to earnings;
 - persons who left welfare due to sanctions;
 - persons who left welfare due to time limits; and
 - persons who left welfare for “other” reasons.
- **Neighborhood Risk:** The sample was further stratified to take account of neighborhood risk (high v. low), based on the number of incidents of child abuse in the family’s neighborhood. This variable was of interest primarily in terms of examining child outcomes among the sample.

C. SUMMARY OF THE KEY FINDINGS FROM THE SURVEYS

The major findings from the surveys are presented below.

1. RESPONDENT CHARACTERISTICS

Ethnicity and Reasons for Leaving Welfare

- Black respondents accounted for about 93 percent of the families who left welfare due to time limits, 78 percent of the families who left due to sanctions, 70 percent of the families who left due to earnings, and 71 percent of the families who left for “other” reasons.

Education and Reasons for Leaving Welfare

- Persons who had not completed high school accounted for 54.3 percent of the respondents who had left welfare due to sanctions, 48.4 percent of the families who left due to time limits, 28.8 percent of the families who left due to earnings, and 45.7 percent of those who left for “other” reasons.

Age and Reasons for Leaving Welfare

- About one-third of the respondents who left welfare due to sanctions were aged 18-24, compared to only 11.7 percent of those who left due to time limits and 18.9 percent of those who left due to earnings.

Age and Education

- Almost 49 percent of the respondents aged 18-24 had not completed high school, compared to 34 percent of respondents aged 30-39.

Self-Reported Reasons for Leaving Welfare

- Respondents were asked to indicate the reasons why they had left welfare. This was then compared to the recorded in the administrative data.
- Among those who had left due to sanctions (based on the administrative data), 36.5 percent reported that they left welfare for a job.
- Among those who had left welfare for “other” reasons (based on the administrative data), 39.3 percent reported that they left for a job and 14.7 percent said that they left due to increased earnings.

2. EMPLOYMENT RATES AMONG ALL SURVEY RESPONDENTS

- Among all of the survey respondents – including those who were still off welfare and those who had returned to welfare – 59.3 percent were employed at the time of the surveys.

3. EMPLOYMENT, EARNINGS, AND WORK HOURS AMONG PERSONS WHO WERE STILL OFF WELFARE

- Overall, almost 61 percent of the respondents who were still off welfare reported that they were working at a paid job at the time of the surveys.

Employment Status by Reason for Leaving Welfare

- The employment rate varied considerably by the reason for leaving welfare, as reflected in administrative records.
- Among those who had left due to earnings, 74.9 percent of those who had left due to earnings reported that they were employed, compared to 40.4 percent of those who had left due to sanctions, 50.2 percent of those who had left due to time limits, and 53.3 percent of those who left for “other” reasons.

Employment Status by Ethnicity

- Overall, blacks and whites were employed at about the same rate at the time of the survey.
- Among respondents who had left welfare due to earnings, 76.4 percent of blacks were working, compared to 71.9 percent of whites.
- Among respondents who left welfare due to sanctions, 42.5 percent of blacks were working, compared to 33.6 percent of whites.

Employment Status by Education

- Only 50 percent of those who had not completed high school were working at follow-up, compared to two-thirds of those who had completed high school only, and 72 percent of those who had attended college.
- The differences in terms of education were greatest for those who had left welfare due to sanctions. Only 28.4 percent of the sanctioned clients who had not completed high school were working, compared to 66.8 percent of the sanctioned clients who had attended college.

Length of Time in Current Job

- Almost 65 percent of the employed respondents who had left welfare due to earnings had been in their current job for at least six months, compared to 50.3 percent of employed respondents who had left welfare due to sanctions.

Types of Jobs and Employers

- Respondents who left welfare due to earnings were more likely to be working in clerical/office jobs than other employed respondents.
- A relatively high percentage of the respondents who left due to time limits were employed as housekeepers, kitchen helpers, and restaurant workers.
- Respondents who left welfare due to earnings were more likely to be working for professional services firms (11.3 percent) than other respondents. Overall, 18.5 percent of employed respondents were working in restaurants.

Work Hours

- About 55 percent of employed respondents were working 40 or more hours per week, and 81 percent were working 30 or more hours per week.
- Only 42 percent of the employed respondents who left welfare due to sanctions were working 40 or more hours per week, compared to 56.7 percent of those who left due to earnings, and 63.6 percent of those who left for “other” reasons.
- Almost 57 percent of employed blacks were working 40 or more hours per week, compared to 51.6 percent of employed whites.

Non-Traditional Work Schedules

- Almost 25 percent of the employed respondents were working at least part of their workday outside of “normal” business hours, defined as 6 a.m. to 6 p.m. About 18 percent were working at least part of their workday after 6 p.m.
- Employed respondents who left welfare due to sanctions and for “other” reasons were more likely than other respondents to be working outside of normal business hours.
- About 47 percent of the employed respondents always or usually worked weekends. This percentage did not vary greatly by the reason for leaving welfare.

Earnings and Hourly Wage Rates

- Median monthly earnings among employed respondents were highest for those who left welfare due to earnings (\$1,082) and for “other” reasons (\$1,035), and lowest for those who left due to sanctions (\$984) and time limits (\$993).
- Overall, about 56 percent of employed respondents were earning more than \$1,000 per month, including 61 percent of those who had left due to earnings.
- Median earnings among employed respondents who had attended college (\$1,212) were much higher than earnings among employed persons who had not completed high school (\$987).
- About 63 percent of employed respondents were working in jobs that paid \$6 per hour or more, and 37 percent were working in jobs that paid \$7 per hour or more.
- About 58 percent of employed respondents who had left welfare due to time limits were working in jobs that paid less than \$6 per hour, compared to only 36.7 percent of employed respondents who had left welfare due to earnings.
- Median earnings were highest in office jobs and paraprofessional occupations, and lowest for kitchen helpers, restaurant workers, child care workers, housekeeping staff, and teacher’s aides.

Unemployed Respondents

- Among respondents not working at the time of the survey (but still off welfare), the reason most often given for not working was “physical or mental illness or injury” – cited by 23.7 percent of unemployed respondents.
- The next most common reasons were lack of child care (14.9 percent), lack of transportation (13.3 percent), “can’t find a job” (13.1 percent).
- Respondents who had left welfare for “other” reasons were much more likely than respondents who had left due to sanctions to cite health problems as the reason for not working.
- Persons who had left welfare due to sanctions or time limits were much more likely than other respondents to cite “can’t find a job” as the reason for not working.
- About 53 percent of currently unemployed respondents had worked for pay in the past 12 months.

- Almost 60 percent of unemployed respondents who had left welfare due to earnings had worked in the past 12 months, compared to only 44 percent of those who had left due to time limits.

4. LIVING ARRANGEMENTS AND HOUSEHOLD INCOME AMONG FAMILIES STILL OFF WELFARE

Presence of Other Adults

- About 31 percent of all respondents were living with at least one other adult. The percentage was highest for persons who had left welfare for “other” reasons (34.3 percent) and lowest for those who had left due to time limits (22.0 percent).
- About 15 percent of the respondents reported that they were living with a spouse or partner – including 21.6 percent of those who had left welfare for “other” reasons but only 5.9 percent of those who had left welfare due to time limits.

Employment Status of Respondents and Other Adults in the Household

- Overall, 67 percent of the respondents were either employed themselves or living with an employed adult. The percentage was highest among those who had left welfare due to earnings (79.8 percent) and lowest among those who had left due to sanctions (48.1 percent) and time limits (55.1 percent)

Total Household Income

- Respondents were asked how much money they had coming into the household each month, including everyone’s earnings, as well as child support, unemployment benefits, and SSI, but not including cash assistance or Food Stamps.
- Almost 8 percent of the respondents reported that they had no income coming into the household, including 12.5 percent of those who had left welfare due to time limits, and 15.7 percent of those who had left due to sanctions.
- Of the respondents who left welfare due to earnings, 56.5 percent reported household income of \$1,000 per month or more, compared to 26.3 percent of those who had left due to time limits, 26.4 percent of those who left due to sanctions, and 43.3 percent of those who left for “other” reasons.
- Of the respondents who had not completed high school, only 36.0 percent reported household income of \$1,000 per month or more, compared to 59.6 percent of those who had attended college.
- About one-quarter of the respondents who had left welfare for “other” reasons cited SSI as a primary source of income.

- The primary sources of household income varied by reasons for leaving welfare and by ethnicity and education.

5. INDICATORS OF FAMILY WELL-BEING AMONG FAMILIES STILL OFF WELFARE

- Respondents were asked whether specific adverse events had ever happened to them, and if so, whether the events had occurred in the past 12 months, before the past 12 months, or in both time periods
- About 33 percent of all respondents reported that they had fallen behind in rent payments in the past 12 months. This compares to the 25 percent who reported that they had fallen behind in payments before the last 12 months.
- About 48 percent of the respondents reported that they had fallen behind in paying a utility bill in the past 12 months, compared to 26 percent who had experienced this problem prior to the past year.
- However, there was only a slight difference between the two time periods in the percentage of respondents who had gone without electricity, heat, or water.
- Very few respondents had lived in a homeless shelter in either time period.
- Almost 35 percent of the respondents reported that their telephone service had been cut off in the past year, compared to 23 percent who reported this problem before the past year.
- The percentage of respondents whose children had to live with someone else because the family lacked money was the same for both time periods.
- About 10 percent of the respondents (including 13 percent of those who left welfare due to sanctions) reported that in the past year, there had been someone in their home who got sick or hurt but could not get medical care. In contrast, only 4.3 percent reported this problem for the period before the last year.
- Unemployed respondents were somewhat more likely than employed respondents to report the occurrence of adverse events in the past year, and were about twice as likely to report that someone in their household had been sick or injured but could not get medical care (14.2 percent compared to 7.6 percent of employed respondents).

- Employed persons were four times as likely to have moved in the past year as unemployed respondents.

Access to Food

- About 20 percent of the respondents reported that they had cut the size of meals or skipped meals at some time in the last year, compared to 13.6 percent who reported this problem for the period before the last 12 months.
- About 28 percent of whites reported that they had cut the size of meals or skipped meals in the past year, compared to only 17.4 percent of blacks.
- One-quarter of currently unemployed respondents had cut the size of meals or skipped meals in the past year, compared to 16.9 percent of employed respondents.
- Of the respondents who reported cutting the size of meals or skipping meals in the past year, 29 percent indicated that the problem had occurred in every month. Applying this percentage to the 20 percent who reported having a problem in the past year, we find that 5.8 percent of all respondents had cut the size of meals or skipped meals each month in the past year.
- Of the persons who reported cutting the size of meals or skipping meals in the past year, 71.8 percent dealt with the situation by getting food or money from family or friends, 22 percent got meals from a pantry or church, and 6.2 percent went hungry. About 1.2 percent of *all* respondents said that they had gone hungry due to lack of money in the past year.
- About 21 percent of the respondents reported that there had been occasions in the past year when they had eaten less than they felt they should. This compares to 13 percent who reported having a similar problem before the past year.
- Respondents who left welfare due to time limits were the least likely to report having had a problem in either time period.
- Slightly less than 10 percent of the respondents reported that they there had been times in the past year when they were hungry but did not eat because they could not afford food. This compares to slightly less than 8 percent for the period prior to the past year.
- Persons who had left welfare for “other” reasons were the most likely to report having had this problem in the past year (13.5 percent).

Access to Health Care

- Almost 86 percent of the respondents reported that they, or the people living with them, had some type of health care coverage. However, only 80 percent of those who had left welfare for “other” reasons said that they had some type of health coverage.
- Almost 92 percent of the respondents who reported that they had health coverage were participating in the Medicaid program, but the figure was only 82 percent for those who had left welfare for “other” reasons.
- Almost 22 percent of the respondents who were not covered by Medicaid reported that their had been times in the past year when someone in their household had got sick or hurt but could not get medical care. This compares to 9.8 percent of those who had Medicaid coverage for one or more persons in their household.

Life Since Leaving Welfare

- Almost 80 percent of the respondents disagreed with the statement that “life was better on welfare,” including 70 percent of those who had left welfare due to time limits and 75 percent of those who left due to sanctions.
- About 89 percent of employed respondents and 65 percent of unemployed respondents disagreed that life was better on welfare
- Almost 62 percent of the respondents reported that they now had more money than when on welfare, and almost 56 percent reported that they now bought little extras with out worrying about every penny.
- These percentages, however, varied by the reason for leaving welfare and by employment status.
- Eighty-three percent of the respondents agreed with the statement that they felt better about themselves than a year ago, including 70 percent of unemployed respondents. The percentage who felt better about themselves did not vary much by the reason for leaving welfare.
- Forty percent of the respondents reported that they felt more stress than a year ago, including 46 percent of those who had left welfare due to time limits.

6. CHILD OUTCOMES AMONG FAMILIES STILL OFF WELFARE

- Respondents were asked a series about changes in the behavior, attitudes, temperament, and well-being of their children in the past year. For each family, questions were asked about a “focal” child.

Child’s Behavior

- Forty-seven percent of the respondents thought that their child was getting along better with other children, and 6.7 percent felt that their child was getting along worse with other children. Forty-six percent felt that there was no change. The percentages did not vary greatly by reason for leaving welfare.
- Forty-four percent of the respondents felt that their child was behaving better than a year ago, 45 percent felt that the child was behaving the same, and 10.6 percent thought that the child was behaving worse.
- Respondents who left welfare due to time limits were about twice as likely to think that their child was behaving worse. This may partly be due to the fact that these respondents had older children than other respondents.
- Blacks were much more likely than whites to report that their child was behaving better than a year ago.
- Sixty-one percent of the respondents felt that their child was more outgoing than a year ago, one-third saw no change, and 5.5 percent thought that the child was less outgoing.
- About one-quarter of the respondents reported that their child’s behavior bothered them less than a year ago, 17 percent reported that the child’s behavior bothered them more, and 58 percent saw no change.
- About 19 percent of working respondents reported that their child’s behavior bothered them more, compared to 13 percent of non-working respondents.

Child’s Happiness and Temperament

- Almost 56 percent of the respondents felt that their child was happier than a year ago, 37 percent thought that their child was the same, and 6.8 percent felt that the child was less happy. The percentages did not vary much by reason for leaving welfare.
- Almost 58 percent of blacks felt that their child was happier, compared to 47 percent of whites.

- Almost 39 percent of the respondents felt that their child was more calm or easy-going than a year ago, 9 percent thought that the child was less calm and easy-going, and 52 percent said there was no change.
- Almost 42 percent of blacks felt that their child was more calm and easy-going, compared to 30.5 percent of whites. Whites were almost twice as likely to think that their child was less calm and easy-going.
- Almost 52 percent of the respondents thought that their child had more concern for the feelings of others than a year ago, 44 percent saw no change, and about 7 percent felt that the child showed less concern for the feelings of others.

School Performance and Attitudes

- About 43 percent of the respondents thought that their child was doing very well in school, while 11 percent felt that the child was doing below average or not well at all.
- About 13 percent of the working respondents thought that their child was doing below average or not well at all, compared to 7.5 percent of non-working respondents.
- Almost 14 percent of the respondents who had not completed high school reported that their child was doing below average or not well at all, compared to 6.4 percent of those who had attended college.
- Almost 60 percent of the respondents felt that their child was doing better at schoolwork than year ago, while 10 percent thought that the child was doing worse.
- Almost 12 percent of working respondents thought that their child was doing worse in school, compared to 7 percent of non-working respondents.
- Almost 64 percent of blacks thought that their child was doing better at schoolwork, compared to 47 percent of whites.
- About 60 percent of the respondents thought that their child cared more about doing well at school than a year ago, while 8.3 percent reported that the child cared less.
- About 57 percent of the respondents who left welfare due to earned income felt that their child cared more about doing well in school, compared to 63-64 percent of other respondents.

Child's Health

- Forty-two percent of the respondents rated their child's health as excellent, and 25 percent rated it very good.
- Less than 39 percent of blacks rated their child's health as excellent, compared to 51 percent of whites. Almost 10 percent of blacks rated their child's health as fair or poor, compared to 5.7 percent of whites.
- Almost 53 percent of the respondents who had attended college rated their child's health as excellent, compared to 36 percent of those who had not completed high school.
- Thirty-nine percent of the respondents considered their child's health to be better than a year ago, while 3 percent rated it worse.
- Ninety-three percent of the respondents reported that they had a regular source of medical care for their child.

Child Outcomes Index

- A "child outcomes index" was constructed for the purpose of combining the responses to of all the questions on changes in child behavior, attitudes, happiness, temperament, and school performance. The higher the score on the index, the more positive the changes in the child.
- Overall, the average scores on the index did not vary greatly by the reason for leaving welfare, neighborhood type (high-risk v. low-risk), educational level of the respondent, or employment status of the respondent.
- Blacks had a somewhat higher average score on the index than whites.
- Respondents aged 18-24 had a somewhat higher average score on the index than older respondents.
- Among employed respondents, working in the evenings or on weekends did not affect the average score on the index.
- Respondents who used formal child care had a slightly higher average score on the index than those who used informal child care. However, problems in getting access to child care in the past did not have a great impact on the average score.

- There was little difference in average scores between families who had moved in the last 12 months and those who had not moved.

7. PUBLIC ASSISTANCE, CHILD CARE, AND TRANSPORTATION AMONG RESPONDENTS STILL OFF WELFARE

Participation in Food Stamps and Medicaid

- Eighty-six percent of the respondents who had left welfare due to time limits reported that they were living in a food stamp household, compared to only about half of the respondents who had left due to earnings or for “other” reasons.
- Almost 73 percent of non-working respondents were living in Food Stamp households, compared to 49 percent of working respondents.
- About 92 percent of the respondents who left welfare due to time limits were in a household that was receiving Medicaid, compared to only 68 percent of those who left for “other” reasons.

Other Benefits

- Almost 29 percent of those respondents who left welfare due to earnings reported that they were getting assistance with child care, compared to only 4.1 percent of those who left for “other” reasons.
- About 16 percent of those who left for “other” reasons said that they were getting SSI benefits, compared to only 7-9 percent of other respondents.
- Almost 35 percent of those who left welfare due to time limits were living in public housing or Section 8 housing, compared to less than a quarter of other respondents.
- About 15 percent of non-working respondents indicated that they were receiving SSI benefits, compared to 6.4 percent of working respondents.

Reasons for not Receiving Food Stamps

- Of the respondents who were not receiving Food Stamps, 53 percent reported that they had been told they were no longer eligible due to income or assets.
- About 11 percent said they did not think they were eligible. This was true for 22 percent of those who had left welfare for “other” reasons.

- Among respondents who were not currently working and who were not on Food Stamps, about one-third said they were not getting Food Stamps because they had been told they were not eligible.
- Almost 11 percent of non-working respondents who were not participating in Food Stamps thought that they would be ineligible and 25 percent stated that it was not worth the effort.

Knowledge of Benefit Programs

- Overall, 73 percent of the respondents knew that families could get Food Stamps after leaving welfare. However, only 60 percent of the respondents who left welfare for “other” reasons knew this.
- Almost 81 percent of the respondents knew that children may continue to get Medicaid after families leave welfare. However, only 69 percent of the families who left welfare for “other” reasons knew this.
- About 60 percent of the respondents knew that adults who leave welfare for work may continue to get Medicaid.
- Overall, 65 percent of the respondents knew that families could get help paying for child care after they leave welfare. Only half of the respondents who left welfare for “other” reasons knew they could get help.

Child Care Use and Payments

- About 59 percent of the respondents who left welfare due to time limits had no pre-school children, compared to only 49.6 percent of those who left due to earnings.
- About 25 percent of the respondents who had *school-age* children were using child care. Of these, 42 percent were using informal child care, including 50 percent of those who left welfare for “other” reasons.
- Sixty-two percent of the respondents who were using child care for their school-age children were paying for the care.
- Of the respondents who were paying for care for their school-age children, 75 percent of those who had left welfare due to earnings were getting help paying for care, compared to only 7.5 percent of those who had left for “other” reasons.

- Sixty-two percent of the respondents who had *pre-school* children were using child care. Of these, 49 percent were using informal child care, and 44 percent were using a child care center (including 56 percent of those who had left welfare due to earnings).
- Of the respondents who were using *formal* child care for their pre-school children, 15.4 percent reported that their child's room or group involved 20 or more children, and another 39.5 percent reported that the room or group involved 11 to 20 children. Fifty-four percent reported that the ratio of children to adults was 5-to-1 or less.
- About 30 percent of the respondents who used *informal* pre-school child care reported that three or more children were in the child care arrangement.
- Almost 65 percent of the respondents who were using pre-school child care were paying for the care. Of these, 57 percent said that they were receiving help paying for the care, including only 10.7 percent of those who left welfare for "other" reasons.

Transportation

- About 48 percent of all respondents who left welfare due to earnings had their own vehicle, as did 42.3 percent of those who left for "other" reasons.
- In contrast, only 22.3 percent of those who left due to sanctions had their own vehicles, and only 19.1 percent of those who left due to time limits.

8. WELFARE RECIDIVISM

- About 11 percent of those respondents who had left welfare due to sanctions were back on welfare at the time of the surveys, compared to 5.7 percent of those who left due to earnings and 6.8 percent of those who left for "other" reasons.
- Recidivism rates were slightly higher for blacks than for whites, and were lower for persons who had attended college.
- Respondents aged 18-24 had a higher recidivism rate (10.1 percent) than older respondents.
- Of those who were back on welfare, almost 40 percent cited job loss as the reason.

- The most common barrier to leaving welfare among the recidivists was “can’t find a job that pays enough” (28.1 percent). However, persons who had left welfare due to sanctions were most likely to mention lack of job skills as the major barrier to leaving welfare in the future.