

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

**Three-Year Follow-Up Study
of Welfare Leavers
in South Carolina**

Final Report

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December 2002

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ACKNOWLEDGEMENTS

Dr. Marilyn Edelhoch, Director of Research and Evaluation for the South Carolina Department of Social Services (SCDSS), was the Project Officer for this study. The study was sponsored by the Office of the Assistant Secretary for Planning and Evaluation (ASPE) and the Administration for Children and Families (ACF) in the U.S. Department of Health and Human Services.

Comments on draft versions of the report were provided by Dr. Edelhoch, by Don Oellerich, Matt Lyon, and Julia Isaacs of ASPE, and by Michael Dubinsky of ACF. Dr. Donald Klos of the Public Services Research Laboratory assisted with the selection of the survey samples and with the development of sample weights.

The survey questions on child outcomes (Chapter V) were developed with input from Child Trends, Inc. Dr. Qiduan Liu of SCDSS assisted in providing the administrative data for the study and in resolving sample design issues. Input into the study design was also provided by Linda Martin, Director of Planning and Research for SCDSS.

The opinions expressed in this report are those of the authors.

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EXECUTIVE SUMMARY AND DISCUSSION

South Carolina has one of the most aggressive welfare reform programs in the country. Welfare recipients are limited to two years of cash assistance under the state's welfare reform program – known as the Family Independence program. In contrast, most states impose a five-year time limit on cash assistance to welfare recipients. In addition, the South Carolina program includes a provision for complete case closure (“full family sanctions”) for welfare recipients who fail to comply with work participation requirements.

This report presents the findings from a three-year study of families who left welfare in South Carolina between October 1998 and March 1999. The primary objective of the study was to assess the economic status and overall well-being of the families, including their employment status, earnings, household income, any hardships experienced since leaving welfare, access to food and health care, and the well-being of the children.

To measure the effects of the time limits and full family sanctions, the study specifically identified families who left welfare as a result of these provisions. The outcomes for these families were then compared with the outcomes for families who left welfare due to employment or other reasons.

A. POLICY BACKGROUND OF THE STUDY

The study of welfare leavers in South Carolina 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). Beginning in FY 1998, ASPE awarded grants to 14 states and counties to study the outcomes of welfare reform for individuals and families who left the Temporary Assistance for Needy Families (TANF) program or who diverted from TANF. The South Carolina Department of Social Services (SCDSS) was one of the 14 grantees. The overall grant program was funded by a Congressional appropriation for cross-cutting research into the outcomes of the welfare reform legislation enacted in 1996.

South Carolina's Family Independence program was implemented in January 1995. In October 1996, two major components were added to the program – the two-year time limit on benefits and full family sanctions. The state's welfare caseload declined sharply after the Family Independence program was implemented.

B. FOCUS ON DIFFERENT TYPES OF WELFARE LEAVERS

To examine the effects of South Carolina's welfare reform program upon welfare recipients, the study focused on four specific groups of welfare leavers:

- Families who left welfare due to earnings -- this group included 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 consisted of families who were terminated from welfare due to non-compliance with program requirements.
- Families who reached the two-year time limit -- this group involved families who were directly impacted by the new program rules providing for two-year time limits on benefits.
- Families who left for “other” reasons – this group consisted of families who left for any other reason besides the three identified above, including families who left for unknown reasons after not showing up for 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. Federal and State officials have special concerns about the long-term status of these families, including their economic situation, employment status, hardships, and the well-being of their children. With regard to families who left for “other” reasons, a major concern is whether these families are aware of the benefits and services that families can continue to receive after they leave welfare.

The sample consisted of persons who were mandatory for work participation under the Family Independence program. As a measure of how the four different groups are represented among the “mandatory” TANF caseload in South Carolina, statewide data on families who left TANF in 2000 show that 54 percent left TANF due to earnings, 17 percent left due to sanctions, 5 percent left due to time limits, and 24 percent left for other reasons.

To collect follow-up information on the samples of leavers, three rounds of annual telephone interviews were conducted. The first round of interviews was conducted about one year after the families left welfare (“Round 1”). Subsequent interviews were conducted two years and three years after the families left welfare (“Round 2” and “Round 3”). As indicated in Exhibit 1, the Round 3 surveys were conducted after the beginning of the 2001 recession, and therefore provide an opportunity to examine how welfare leavers were faring in an economic downturn.

EXHIBIT 1 TIMING OF THE FOLLOW-UP SURVEYS

Leavers Left Welfare	Round 1	Round 2	Round 3
Oct. 1998-Mar. 1999	Oct. 1999-Mar. 2000	Oct. 2000-Mar. 2001	Oct. 2001-Mar. 2002

Recessionary period

C. SUMMARY OF KEY FINDINGS

The major findings from the study are summarized briefly below. A discussion of the findings is presented in Section D.

Three Years After Leaving Welfare, 54 Percent of the Leavers Were Still Off Welfare and Working – a Slight Decline from 57 Percent One Year After Leaving

Exhibit 2 shows that, three years after they left welfare, about 54 percent of the survey respondents were still off welfare and were working. This was a slight decline from almost 57 percent at the Round 1 surveys and 55.5 percent at the Round 2 surveys.

At the time of the Round 3 surveys, almost 38 percent of the leavers were still off welfare but not working – a slight increase from 36.5 percent at Round 1. The percentage of leavers who were back on welfare declined from almost 7 percent at Round 1 to slightly less than 6 percent at Round 2, but increased to 8 percent at Round 3. The economic slowdown during 2001 may have been partly responsible for the situation at Round 3.

The overall percentage of persons who were working (including persons still off welfare and persons back on welfare) declined slightly from 59 percent at Round 1 to slightly less than 57 percent at Round 2. The percentage declined again to 55 percent at Round 3.

EXHIBIT 2 WELFARE AND EMPLOYMENT STATUS OF RESPONDENTS, BY YEAR SINCE LEAVING WELFARE

Welfare and Employment Status	Round 1	Round 2	Round 3
Still off welfare, working	56.7%	55.5%	54.1%
Still off welfare, not working	36.5%	38.8%	37.8%
Back on welfare, working	2.7%	1.2%	1.1%
Back on welfare, not working	4.1%	4.6%	6.9%
Total	100.0%	100.0%	100.0%

Employment Rates Were Lower Among Sanctioned Leavers and Time-Limited Leavers Than Among Other Leavers, But the Rate for the Sanctioned Leavers Did Show Some Improvement Over Time

At each round of surveys, employment rates were higher among persons who left welfare due to earned income than among persons who left due to sanctions or time limits. Exhibit 3 shows the combined welfare and employment status of the leavers, by reason for leaving welfare. As indicated in the exhibit, there were major differences in employment rates between the persons who left welfare due to earnings and the other leavers. However, between Round 1 and Round 2, there was some narrowing of these differences. Among the persons who left welfare due to sanctions, the percentage who were still off welfare and working increased from 36 percent at Round 1 to 41 percent at Round 2 and to almost 43 percent at Round 3.

Of the persons who left welfare due to time limits, the percentage who were still off welfare and working increased from almost 50 percent at Round 1 to 53 percent at Round 2, but then declined to 46 percent at Round 3. In contrast, among persons who left welfare due to

earnings, the percent still off welfare and working declined from 70.5 percent at Round 1 to 61 percent at Round 2.

**EXHIBIT 3
PERCENTAGE OF RESPONDENTS WHO WERE OFF WELFARE AND
WORKING, BY REASON FOR LEAVING WELFARE**

Reason for Leaving Welfare	Round 1	Round 2	Round 3
Earned income	70.5%	61.2%	61.5%
Sanctions	35.9%	41.2%	42.8%
Time limits	49.8%	53.1%	46.2%
Other	49.7%	57.9%	52.2%
Total	56.7%	55.5%	54.1%

Of the Leavers Who Were Still Off Welfare at Year Three, About 59 Percent Were Employed, and Another 9 Percent Were Living With an Employed Adult. However, the Employment Rate Was Lower for Sanctioned and Time-Limited Leavers

Exhibit 4 shows the employment situation for leavers who were still off welfare at the time of the surveys. The percentage who were working declined slightly from 61 percent at Round 1 to 59 percent at Round 2. The percentage was largely unchanged at Round 3 at almost 59 percent.

The employment rate at Round 3 was much higher among those who had left due to earnings (67 percent) than among those who left due to sanctions (49 percent) and time limits (47 percent). However, among sanctioned leavers who were still off welfare, the employment rate did increase from 40 percent at Round 1 to almost 49 percent at Round 3. In contrast, the employment rate among time-limited clients who were still off welfare fell from 50 percent at Round 1 to less than 47 percent at Round 3.

Exhibit 4 also shows that, at the time of the Round 3 surveys, 68 percent of the respondents who were still off welfare were either working themselves or living with an employed adult. This compares to 67 percent at the time of the Round 1 surveys. At Round 3, the percentage was highest for persons who left welfare due to earnings (75 percent) and lowest among the time-limited leavers (53 percent).

The presence of other employed adults was probably important for addressing potential hardships among unemployed leavers. This was especially the case for sanctioned leavers. At Round 3, almost 14 percent of the sanctioned leavers who were still off welfare were unemployed but living with an employed adult. For time-limited leavers, the percentage was only 6.5 percent.

**EXHIBIT 4
EMPLOYMENT SITUATION OF RESPONDENTS WHO WERE STILL
OFF WELFARE AT THE TIME OF THE SURVEYS**

Reason for Leaving Welfare	Respondent Employed			Respondent Employed or Living with Employed Adult		
	Round 1	Round 2	Round 3	Round 1	Round 2	Round 3
Earned income	74.9%	66.5%	67.2%	79.8%	75.4%	74.6%
Sanctions	40.4%	43.2%	48.8%	48.1%	52.6%	62.7%
Time limits	50.2%	53.2%	46.6%	55.1%	58.5%	53.1%
Other	53.3%	61.0%	56.3%	62.8%	69.2%	67.8%
Total	60.7%	58.9%	58.8%	67.1%	67.3%	68.1%

Employment Continuity Varied Considerably by Reason for Leaving Welfare

To measure employment continuity among the sample, we conducted a match against quarterly data from the South Carolina Unemployment Insurance (UI) wage record system. The leavers were tracked for 10 quarters after they left welfare. It should be noted that UI wage records tend to undercount the actual employment rate because they do not include federal employment, self-employment, or the employment of persons who have left South Carolina.

The analysis showed that, of the persons who were still off welfare at Round 3, only 27 percent had UI earnings in each of the 10 quarters after they left welfare. Another 22 percent had earnings in 8 or 9 of the 10 quarters. Almost 12 percent had earnings in none of the 10 quarters, and almost 30 percent had earnings in 4 or fewer quarters.

Of the persons who left welfare due to earned income, 40 percent had UI earnings in all 10 quarters. In contrast, only 1 percent of the sanctioned leavers, 17 percent of the time-limited leavers, and 19 percent of the other leavers had earnings in all 10 quarters.

Employment Status Varied by Education

Employment rates among the respondents who were still off welfare varied greatly by education. At Round 3, only 47 percent of the high school drop-outs were working, compared to 63 percent of those who had completed high school but had not gone to college, and 76 percent of those who had attended college. In addition, the high school drop-outs showed no gains in employment rates between Round 1 and Round 3. Among high school drop-outs who left welfare due to time limits, the employment rate was only 38 percent at Round 3.

Sanctioned and Time-Limited Leavers Had Relatively Low Educational Attainment -- This May Partly Explain Their Employment Difficulties

About 54 percent of the sanctioned leavers and 48 percent of the time-limited leavers were high school drop-outs, compared to only 29 percent of the persons who left welfare due to

earnings. The low educational attainment of the sanctioned and time-limited leavers may be a factor in their relatively low employment rates after leaving welfare.

The Employment Rate Among Welfare Leavers Was Somewhat Higher for Blacks Than Whites

Among survey respondents who were still off welfare at Round 3, the employment rate for blacks was almost 60 percent, compared to 56 percent of whites. The same overall pattern was found in earlier rounds of the surveys.

Length of Time in the Current Job Increased Between Round 1 and Round 3

Among employed respondents who were still off welfare, the percentage who had been in their current job for more than one year increased from 15 percent at Round 1 to 51 percent at Round 2 and to 58 percent at Round 3.

The Work Hours of Employed Leavers Were Largely Unchanged Between Round 1 and Round 3 -- About 81 Percent Were Working 30 or More Hours Per Week

For employed respondents who were still off welfare, average weekly work hours were about the same at Round 3 (35.2 hours) as at Round 1 (35.8 hours). The percentage working 30 or more hours per week was stable at about 81 percent. The percentage working 40 or more hours per week was also largely unchanged at 55 percent.

Work Hours Varied by Reason for Leaving Welfare

At Round 3, about 57 percent of the employed persons who left welfare due to earnings were working 40 or more hours per week. This compares to only 44 percent of sanctioned leavers, and 46 percent of time-limited leavers.

Average Earnings Among Employed Welfare Leavers Increased by Nine Percent Between Round 1 and Round 2 But Showed No Further Increase at Round 3

Among employed respondents who were still off welfare, average earnings increased from \$1,020 per month at Round 1 to \$1,126 per month at Round 2 – an increase of 9.3 percent. However, no further increase was found in the Round 3 surveys. In addition, earnings gains for sanctioned and time-limited leavers were lower than for other leavers.

Earnings Were Much Higher for Persons Who Left Welfare Due to Earned Income

At Round 3, employed respondents who had left welfare due to earned income had average monthly earnings 18 percent higher than persons who had left welfare due to sanctions, and 16 percent higher than persons who had left welfare due to time limits.

At Round 3, a Majority of the Employed Leavers Had Annualized Earnings of \$12,000 or Higher, But Some Had Relatively Low Earnings

At Round 3, about 60 percent of the employed leavers who were still off welfare had annualized earnings of \$12,000 or higher. However, 22 percent of the employed leavers had annualized earnings of \$9,000 or lower, and almost 10 percent had annualized earnings of \$6,000 or less. Almost 34 percent of the employed persons who left welfare due to sanctions had earnings of \$9,000 or less, as did 32 percent of the time-limited leavers.

The Percentage of Employed Leavers with Annualized Earnings of \$15,000 per Year or Higher Increased from 32 Percent at Round 1 to 38 Percent in Round 3

At Round 1, only 32 percent of employed persons who were still off welfare had average monthly earnings of \$1,250 or higher – equivalent to \$15,000 annualized. At Round 3, the percentage had increased to 38 percent.

Earnings Levels and Earnings Gains Varied Considerably by Education

Among survey respondents who were employed and still off welfare at Round 3, average monthly earnings for persons who had attended college were \$1,424. This was 33 percent higher than the average monthly earnings of employed high school drop-outs (\$1,067), and 23 percent higher than the average monthly earnings of employed persons who had completed high school but not attended college (\$1,159).

Between Round 1 and Round 3, earnings gains were 17 percent for employed persons who had attended college. In contrast, earnings gains were 6 percent for high school drop-outs and 7 percent for persons who had completed high school with no college.

The Percentage of Employed Leavers Who Were Making Less Than \$6 per Hour Declined from 37 Percent at Round 1 to 20 Percent at Round 3

At Round 1, 37 percent of the employed leavers who were still off welfare were in jobs paying less than \$6 per hour. At Round 2 and Round 3, only 20 percent of employed leavers were making less than \$6 per hour. The percentage of employed leavers making \$7 per hour or higher increased from 39 percent at Round 1 to 55 percent at Round 2 and 57 percent at Round 3.

Of the Persons Who Were Still Off Welfare but Not Working at Round 3, About 22 Percent Mentioned Health Problems as the Most Common Reason for Not Working

About 22 percent of the persons who were still off welfare but *not* working at Round 3 cited physical and mental health problems as the most important reason for not working. This was largely unchanged from Rounds 1 and 2. Almost 23 percent of the unemployed respondents at Round 3 said that they could not find a job, and another 10 percent said that they had recently been laid off from a job.

At Round 3, About 55 Percent of the Unemployed Respondents Who Were Still Off Welfare Said That They Had Worked in the Previous 12 Months

Slightly more than half of the unemployed respondents who were still off welfare at Round 3 reported that they had worked at some time in the past 12 months. This means that almost 19 percent of all the respondents who were still off welfare were not working and had not worked in the past year. Almost 65 percent of the unemployed respondents who had left welfare due to earnings had worked in the past 12 months, compared to only 47 percent of those who had left due to sanctions, and 58 percent of those who had left due to time limits.

Among Persons Who Were Still Off Welfare at Round 3, About 38 Percent Had Escaped Poverty -- Up From 32 Percent at Round 1. Poverty Rates Varied Considerably By Reason for Leaving Welfare.

Based on total household income, almost 62 percent of the families who were still off welfare at Round 3 were living in households below the federal poverty level, a decline from 65 percent at Round 2 and 68 percent at Round 1. At Round 3, 52 percent of the earned income leavers were below the poverty level, compared to 76 percent of the sanctioned leavers, 81 percent of the time-limited leavers, and 59 percent of the “other” leavers.

About 61 Percent of Employed Persons at Round 3 Had Used the Earned Income Tax Credit

Of the persons who were employed and still off welfare at Round 3, almost 61 percent were using or had used the Earned Income Tax Credit. About 80 percent of all respondents (including working and non-working respondents) said that they had heard of the tax credit, and 45 percent had used it.

Many Respondents Continued to Report Minor Hardships Since Leaving Welfare, but the Percentage Reporting Serious Hardships Remained Relatively Low

Among persons who were still off welfare, the percentage who reported specific hardships in the past 12 months was about the same at Round 3 as at Round 1. A relatively large percentage of the respondents reported experiencing minor hardships – such as falling behind on housing payments – but very few reported more serious types of hardship. About 12 percent of the Round 3 respondents reported that there had been times in the past year when they had gone without electricity – compared to 11 percent at Round 1. Almost 10 percent of the Round 3 respondents reported that there had been times in the past year when they had gone without heat, compared to 9 percent at Round 1.

Only 5 percent of the Round 3 respondents reported that there had been times in the past year when they had to send their child(ren) to live with someone else. This was about the same as at Round 1. About 1.5 percent of the Round 3 respondents reported that there had been times in the past year when they had to go to a homeless shelter – down from 1.8 percent at Round 1.

Sanctioned and Time-Limited Leavers Were Slightly More Likely to Have Experienced the More Severe Types of Hardship Than Other Leavers

Among persons who had left welfare due to sanctions or time limits and were still off welfare at Round 3, severe hardships were slightly more common than among other leavers. For example, almost 19 percent of the sanctioned leavers and 15 percent of the time-limited leavers reported that their electricity had been cut off at some time in the past year, compared to 10-11 percent of other leavers. Sanctioned and time-limited leavers were also slightly more likely to have gone without heat. However, only 3 percent of the sanctioned leavers and 1 percent of the time-limited leavers had been to a homeless shelter in the past year.

Even Most of the Unemployed Leavers Did Not Report Major Hardships

Respondents who were still off welfare and unemployed at Round 3 were somewhat more likely than employed respondents to report having experienced major hardships in the past year. However, the large majority of unemployed respondents did not report any problems with utilities being cut off or with homelessness.

The Percentage of Respondents Who Reported Problems With Access to Food Was Unchanged Between Round 1 and Round 3 and Did Not Vary by Reason for Leaving Welfare

At both Round 1 and Round 3, about 20 percent of the persons who were still off welfare reported that there had been times in the past year when they had to skip meals or cut the size of meals because of lack of money. In addition, the percentage did not vary greatly by reason for leaving welfare.

About 10-11 Percent of the Respondents Who Were Still Off Welfare Had Experienced Food Insecurity With Hunger at Some Time in the Past Year, But the Percentage Was Lowest for the Time-Limited Leavers

In applying the USDA food security index to the data, it was found that, among respondents still off welfare, about 10 percent of the Round 2 respondents and 11 percent of the Round 3 respondents could be classified as “food insecure with hunger evident.” At Round 3, the percentage of respondents in this category did not vary greatly by reason for leaving welfare but was lowest for the time-limited respondents (9 percent). Almost 17 percent of whites were food insecure with hunger evident, compared to only 9 percent of blacks. Surprisingly, hunger did not vary by the current employment status of the respondents at Round 3.

About 8 Percent of the Persons Who Were Still Off Welfare in Round 3 Reported Problems With Access to Health Care in the Past Year

Among the Round 3 respondents, about 8 percent reported that there had been times in the past year when someone in their home needed medical care but could not afford it. This was down from 10 percent at Round 1. The percentage was lowest among the time-limited leavers – less than 5 percent. Among unemployed persons, the percentage was almost 11 percent. The

percentage was much higher among whites (16 percent) than among blacks (5 percent). Older respondents were more likely than younger respondents to have had a problem with health care access.

Most of the Round 3 Respondents Who Were Still Off Welfare Reported That They or Someone in Their Household Had Medical Coverage, Mostly Through Medicaid

About 94 percent of the Round 3 respondents who were still off welfare reported that they or someone in their household had medical coverage, mostly through Medicaid. This was slightly higher than at Round 1 (90 percent). Coverage did not vary greatly by reason for leaving welfare. The percentage of respondents who had private health coverage (mostly through an employer) increased from 11 percent at Round 1 to 20 percent at Round 3.

Many of the Leavers Continued to Rely on Medicaid, Food Stamps, and Other Public Assistance, Especially Time-Limited Leavers

At Round 3, about 85 percent of the respondents who were still off welfare were in a household that was receiving Medicaid or SCHIP benefits. This was actually an increase from 82 percent at Round 1. Almost 93 percent of the time-limited leavers were on Medicaid at Round 3. In contrast, only 75 percent of the persons who had left welfare for “other” reasons were on Medicaid.

Almost 62 percent of the respondents who were still off welfare at Round 3 were in a Food Stamp household, up from 58 percent at Round 1. About 84 percent of the time-limited leavers and 68 percent of the sanctioned leavers were on Food Stamps at Round 3. Almost 28 percent of the leavers who were still off welfare at Round 3 were living in public or subsidized housing, including 38 percent of the time-limited leavers.

Many of the Sanctioned and Time-Limited Leavers Relied on Private Sources of Assistance. In Addition, 35 Percent of All Leavers Were Living With Other Adults

Among respondents who were still off welfare at Round 3, about 24 percent of the sanctioned leavers and 20 percent of the time-limited leavers relied on regular gifts of money from family or friends to help support themselves. Almost 20 percent of the sanctioned leavers lived rent-free with family or friends. In addition, 35 percent of all of the leavers were living with other adults at the time of the Round 3 surveys, including 38 percent of the sanctioned leavers.

About one-third of the sanctioned leavers were under 25 when they left welfare and many continued to live with a parent. In contrast, time-limited leavers were older than other leavers, with fewer than 12 percent being under 25 when they left welfare. Only 24 percent of the time-limited leavers were living with other adults at Round 3.

Of the Respondents Who Were Using Pre-School Child Care at Round 3, About 29 Percent Were Getting Help from the State in Paying for the Child Care. Of the Respondents Using School-Age Child Care, 22 Percent Were Getting Help.

Of the Round 3 respondents who were using child care for their pre-school children, 61 percent were using paid child care. Of the respondents using paid child care, 48 percent were receiving help from the state. This means that 29 percent of the respondents who were using pre-school child care were getting a child care subsidy.

Of the Round 3 respondents who were using child care for their school-age children, 51 percent were using paid child care. Of the respondents who were using paid child care, 43 percent said that they were getting help from the state in paying for the care. This means that 22 percent of the respondents who were using school-age child care were getting a subsidy.

Most Respondents Continued to Think That Life Was Better Since Leaving Welfare, But Unemployed Persons Were Somewhat Less Positive

In Round 3, only 18 percent of the respondents who were still off welfare thought that life had been better when they were on welfare. This was slightly lower than the 20 percent found at Round 1. Only 30 percent of the Round 3 respondents who were not working thought that life was better on welfare. This means that even the majority of unemployed leavers disagreed that life was better on welfare. About 63 percent of the Round 3 respondents thought that they had more money than when on welfare. Almost 82 percent said that they felt better about themselves than a year ago.

Very Few of the Respondents Who Were Still Off Welfare Reported Any Negative Outcomes for Their Children

Respondents who were still off welfare and who had children aged 5-17 were asked to respond to a series of statements about changes in their child's behavior, temperament, school performance, and health in the past year. For most of the statements, fewer than 10 percent of the Round 3 respondents reported any negative outcomes for their children. This was also true for the Round 1 and Round 2 respondents. In each round, the large majority of the respondents reported that there had been either an improvement or no change in their child's behavior and status.

The Respondent's Employment Status Did Not Have a Major Impact Upon Reported Child Outcomes

The experience of leaving welfare might potentially have either positive or negative impacts upon children, depending largely on whether the parent makes a successful transition to financial independence. The results from the surveys, however, show that there was little difference between employed and unemployed respondents in reported negative outcomes for children. Exhibit 5 shows the results for the Round 3 respondents who were still off welfare. As indicated in the exhibit, *employed* respondents were slightly less likely than unemployed

respondents to report negative child outcomes in such areas as child behavior and temperament. However, *unemployed* respondents were slightly less likely to report school-related problems.

Among Persons Still Off Welfare, the Percentage Receiving Child Support Increased Slightly Between Round 1 and Round 3

Among persons still off welfare, the percentage who reported receiving child support increased from 28 percent in Round 1 to 33 percent in Round 3.

**EXHIBIT 5
PERCENTAGE OF RESPONDENTS REPORTING NEGATIVE CHILD OUTCOMES, BY EMPLOYMENT STATUS -- ROUND 3 SURVEYS**

Child Outcomes Compared to One Year Ago	Respondent Working	Respondent Not Working
Child gets along worse with other children	4.1%	4.1%
Child behaves worse	8.0%	9.5%
Child is less outgoing	3.2%	4.5%
Child’s behavior bothers you more often	13.9%	15.2%
Child is less happy	5.1%	7.5%
Child is less calm and easygoing	7.6%	7.8%
Child shows less concern for the feelings of others	4.4%	6.9%
Child performs below average or badly at school	8.8%	6.0%
Child is doing less well at schoolwork	7.0%	6.9%
Child cares less about doing well at school	6.8%	5.1%
Child’s health is fair or poor	5.2%	7.1%
Child’s health is worse	0.7%	2.8%

D. POLICY IMPLICATIONS OF THE FINDINGS

As noted above, South Carolina’s welfare reform program is aggressive in providing for short time limits on welfare and for full family sanctions. The study provides an opportunity to assess how welfare leavers are faring under this approach to welfare reform. Overall, the study shows many positive outcomes for South Carolina’s welfare leavers but also raises a number of concerns. These issues are discussed briefly below.

1. POSITIVE FINDINGS

On the positive side, about 68 percent of the leavers who were still off welfare at Round 3 were employed or living with an employed adult – largely unchanged from Round 1 and Round 2. There was clear evidence of earnings gains among employed respondents between Round 1 and Round 2, due primarily to higher wage rates rather than more work hours. Of the leavers who were still off welfare and working at Round 3, about 60 percent had annualized earnings of \$12,000 or higher.

Very few of the leavers reported severe hardships since leaving welfare, even those who were unemployed. Part of the reason for this is that many of the leavers continued to rely on public assistance as well as private sources of support.¹ In addition, very few reported any negative outcomes for their children. In fact, a large percentage of the leavers reported positive outcomes. Most of the leavers thought that their lives were better since leaving welfare, including those who were having problems with employment stability. The Round 3 results show that 38 percent of the families who were still off welfare had escaped poverty, based on total household income.

2. IMPACT OF THE RECESSION

Policy makers have expressed concern about the continued success of welfare reform in the event of a recession. Many of the welfare leavers studies funded by DHHS were completed before the 2001 recession began. In contrast, the final round of surveys for the South Carolina study was conducted between October 2001 and March 2002, providing an opportunity to assess the possible effects of a recessionary economy upon the employment status and earnings of welfare leavers.

The study shows that the employment rate among persons still off welfare declined very slightly between the second and third rounds of surveys. The study also shows that earnings among employed leavers did not increase between the Round 2 and Round 3 surveys. Both of these outcomes may have reflected the impact of the recession.

Some analysts might argue that the findings reflect positively upon welfare reform efforts because the welfare leavers in the study did not experience a sharp decline in employment and earnings, and did not return to welfare in large numbers, despite the onset of a recession. Overall, in fact, the data do not show any serious negative effects of the recession. Welfare recidivism did increase slightly at Round 3 but remained relatively low at only 8 percent.

On the other hand, the study suggests that economic conditions can affect the ability of welfare leavers to continue making gains in employment and earnings. It is not possible from the three rounds of surveys to determine whether the welfare leavers will resume their earnings growth after the recession comes to an end.

3. IMPLICATIONS FOR THE “WORK FIRST” MODEL

The findings from the study provide mixed results for the “work first” model that underlies welfare reform efforts in South Carolina and other states. Under the “work first” model, emphasis is placed upon getting welfare recipients into jobs as soon as possible. It is assumed that rapid entry into employment will help address such problems as lack of work experience, isolation from the workforce, and poor work habits. It is recognized that many welfare leavers may begin by taking low-skilled and low-paying jobs with “non-traditional” work hours and few benefits. However, proponents of the work first approach anticipate that, as

¹ The reliance on informal sources of support was documented in case studies of some of the welfare leavers. See Case Studies of Welfare Leavers and Diverters in South Carolina, MAXIMUS, October 2001.

leavers gain more work experience, they may move into higher-paying and higher-skilled jobs with more regular work hours and improved benefits.

The South Carolina study shows that a majority of the welfare leavers were either employed or living with an employed adult at each round of surveys, and that they experienced some earnings gains in the first two years after leaving welfare. They were also able to maintain their employment rate over time. However, the findings do not show much evidence of welfare leavers moving in large numbers from low-skilled jobs (such as restaurant work or housekeeping) to more skilled jobs in office/clerical work, factory work, or health care. In addition, the study does not show much evidence of welfare leavers working more regular work hours as opposed to evenings and weekends. Finally, there is no evidence of welfare leavers increasing their average weekly work hours over time.

4. AREAS FOR CONCERN

A major area for concern is that a small but significant percentage of the leavers were apparently experiencing serious problems adapting to life after welfare. At Round 3, about 11 percent of the leavers reported problems with hunger, and 8 percent reported problems with health care access. Roughly 10-11 percent said that their heat or electricity had been cut off at some time in the last year. Of the respondents still off welfare at Round 3, about 19 percent were not working and had not worked in the past year, although some of these were living with employed adults or had other sources of income. Among those who were unemployed, 22 percent cited health conditions as the most important reason for not working, suggesting that many of the unemployed may have serious long-term barriers to employment.

Another area for concern in the findings is that employment rates, employment continuity, and earnings continued to be relatively low among sanctioned leavers and time-limited leavers, although both of these groups showed some improvement between Round 1 and Round 2. The findings suggest that there are significant benefits associated with leaving welfare for employment. In addition, employment rates, earnings, and earnings gains remained low among high school drop-outs. Finally, 10 percent of the employed leavers at Round 3 had earnings equivalent to less than \$6,000 per year.

These findings would suggest that certain types of welfare recipients would benefit from additional services while they are on welfare and after they leave welfare. These “high risk” groups include not only the persons who leave welfare due to sanctions and time-limits, but also high school drop-outs (who account for 44 percent of welfare leavers in South Carolina) and persons with health conditions. Appropriate interventions might include intensive employability services, in-depth assessment procedures, job retention services, case conferencing, and special programs for persons with health barriers to employment.

With regard to high school drop-outs, the findings do not necessarily mean that education components such as GED preparation should be strengthened in the TANF program. The problems experienced by high school drop-outs may not be due primarily to the lack of a high school diploma or GED. Instead, they may reflect other factors such as learning problems or motivational issues that account for failure both in school and in the job market. However, the

findings from the study do suggest that more attention needs to be paid to high school drop-outs in the TANF caseload to address their employment barriers. This is especially important given the finding that drop-outs accounted for a very high percentage of the sanctioned and time-limited leavers.

5. FURTHER ANALYSIS AND DISCUSSION

Each chapter of the report (except the Introduction) includes an up-front *Summary and Analysis* section that provides additional analysis and discussion of the research findings.

CHAPTER I: INTRODUCTION

This report presents the findings from a three-year follow-up study of families who left welfare in South Carolina between October 1998 and March 1999. The report includes findings from three annual follow-up surveys of the sample of welfare leavers. In addition, the report includes 2-3 years of follow-up data from administrative records, including data from the Unemployment Insurance (UI) system

A. OBJECTIVES OF THE STUDY

The primary goal of the study was to examine the status of the families at each round of follow-up, focusing on a number of key outcomes. The key outcomes were as follows:

Employment and Household Income

- employment status and earnings;
- employment and earnings gains over time;
- work hours and non-traditional work schedules;
- type of occupation;
- reasons for not working, if currently unemployed;
- work history since leaving welfare;
- total household income; and
- poverty status.

Indicators of Family Well-Being

- adverse events before and after leaving welfare;
- food security before and after leaving welfare;
- changes in quality of life, self-esteem, and stress; and
- health care coverage.

Child Outcomes

- changes in children's behavior and adjustment;
- changes in children's mood and temperament;
- changes in children's school performance and attitudes to school; and
- changes in children's health.

Use of Benefit Programs and Child Care

- continued use of Food Stamps, Medicaid and other benefit programs;
- reasons for not using these programs;
- use of child care, including types of child care providers;
- quality of child care; and

- assistance in paying for child care.

Recidivism (Return to Welfare)

- characteristics of persons who had returned to welfare;
- reasons for going back;
- barriers to leaving welfare; and
- current employment situation.

In addition to examining these outcomes, information was gathered on a number of respondent characteristics, including:

- education;
- ethnicity;
- age;
- marital status;
- living arrangements;
- number of children; and
- reasons for leaving welfare.

B. SAMPLE DESIGN

The sample of welfare leavers for the study was selected from families who left the South Carolina Temporary Assistance to Needy Families (TANF) program between October 1998 and March 1999 and who were mandatory for work participation. In South Carolina, the TANF program is known as the Family Independence program. The study was based on a stratified sample design using the following two sampling strata:

- **Reason for Leaving Welfare:** The sample consisted of four strata based on each sample member's reason for leaving welfare as recorded in the state's data system. The goal of stratifying the sample in this way was to examine how outcomes among the sample varied by reason for leaving welfare. The strata were as follows:
 - left welfare due to earnings;
 - left welfare due to sanctions;
 - left welfare due to time limits; and
 - left welfare for "other" reasons.
- **Neighborhood Risk:** The sample was further stratified to take account of neighborhood risk, based on the number of incidents of child abuse in the sample member's neighborhood. This variable was of interest primarily in terms of examining child outcomes among the sample. The following strata were used:
 - high risk neighborhood; and
 - low-risk neighborhood.

Exhibit I-1 provides an overview of the stratified sample design for the study. The exhibit shows how the persons in the sampling frame were distributed among the eight strata. As indicated in the exhibit, the four strata based on reasons for leaving welfare each consisted of 360 families. In terms of neighborhood risk, however, it was not possible to select equal numbers of high-risk and low-risk cases. This was because of the limited number of high-risk cases in the universe of welfare leavers. For the high-risk time limit stratum and the high-risk “other” stratum, all cases in the universe were selected. The high-risk earned income and high-risk sanction strata consisted of samples from the universe of cases.

EXHIBIT I-1 OVERVIEW OF THE STRATIFIED SAMPLE

Neighborhood	Reason for Leaving Welfare				Total
	Earned Income	Sanctions	Time Limits	Other	
High Risk	100	102	75	82	359
Low Risk	260	258	285	278	1,081
Total	360	360	360	360	1,440

Because of the stratified sample design, sample weights were applied to the data when generating the tables for this report. Separate sets of weights were used depending on whether the analysis focused on the reasons for leaving welfare or the two neighborhood risk categories. Due to the small number of cases in several of the eight strata, we were not able to incorporate all of the eight strata into any single analysis. Instead, some analyses were conducted using the four reasons for leaving welfare, and other analyses were conducted using the two neighborhood risk strata.

C. SURVEY METHODS

The surveys were conducted by telephone from the MAXIMUS Survey Research Center, using computer-assisted telephone interviewing (CATI). Contact information on the 1,440 families was obtained from the automated systems of the South Carolina Department of Social Services (SCDSS) and was loaded onto the CATI system. The first-year surveys for this group were initiated in October 1999, while the second-year surveys were begun in October 2000. The third-year surveys were conducted between October 2001 and March 2002.

In each year of the follow-up, the survey process began with an initial mail-out on SCDSS letterhead inviting sample members to call the toll-free numbers at the Survey Research Center. A financial incentive of \$20 was offered in this mail-out. A second round of mail-outs was initiated after a few weeks to persons who did not respond to the first mail-out. The incentive in the second mail-out was increased to \$25. During the mail-out process, MAXIMUS interviewers also made attempts to contact sample members using the telephone numbers provided by SCDSS. If the numbers turned out to be invalid, Directory Assistance calls were used. The CATI system was programmed to vary the times of callbacks to sample members and to record information on the results of all contact attempts.

In addition to the above procedures, we obtained data matches on the sample from a commercial data broker who provided credit bureau information and other contact information from public records. MAXIMUS also had a staff member on-site at one of the SCDSS District Offices searching the SCDSS databases for contact information on sample members who were still receiving any type of public assistance. In years one and two, SCDSS also provided a match of the sample against the file of custodial parents in the state's child support enforcement database.

Finally, we conducted field-based survey efforts to locate sample members in their neighborhoods and to encourage them to complete the survey. The field-based interviewers provided the sample members with cell phones to call the Survey Research Center's toll-free number to complete the survey on the CATI system.

D. SURVEY RESPONSE RATES

First-Year Surveys

Exhibit I-2 shows the response rates for the first-year surveys. As indicated, 12 of the 1,440 persons in the sample frame were confirmed as deceased or incarcerated. Among the 1,428 sample members who were available to be interviewed, we completed surveys with 1,072 persons, representing a response rate of 75.1 percent. The 1,072 completed surveys represent 74.4 percent of the 1,440 families in the entire sample frame.

Exhibit I-2 also shows the first-year response rates by the primary sampling strata. As shown in the exhibit, the strata with the highest response rates were the two time-limited strata, each of which had response rates of about 80 percent. The next highest response rates were achieved among the two earned income strata and the sanctions low-risk stratum, each of which had response rates in the 74-75 percent range. Response rates of about 70 percent were achieved for the sanctions high-risk stratum and the "other" low-risk stratum. A response rate of 63.4 percent (adjusted) was achieved for the "other" high-risk stratum.

Exhibit I-3 shows the first-year response rates by ethnicity and gender. As indicated, the response rate among whites was lower than the response rates among blacks and "other." In addition, the response rate among males was lower than among females.

**EXHIBIT I-2
FIRST-YEAR RESPONSE RATES BY SAMPLING STRATA**

Stratum	Sample Size	Available for Interview	Surveys Completed	Unadjusted Response Rate	Adjusted Response Rate
Earned Income High-Risk	100	100	76	76.0%	76.0%
Earned Income Low-Risk	260	257	195	75.0%	75.9%
Sanctions High-Risk	102	100	71	69.6%	71.0%
Sanctions Low-Risk	258	257	192	74.4%	74.7%
Time Limit High-Risk	75	75	60	80.0%	80.0%
Time-Limit Low-Risk	285	285	232	81.4%	81.4%
Other High-Risk	82	80	52	63.4%	65.0%
Other Low-Risk	278	274	194	69.8%	70.8%
Total	1,440	1,428	1,072	74.4%	75.1%

**EXHIBIT I-3
FIRST-YEAR RESPONSE RATES BY ETHNICITY AND GENDER**

Stratum	Sample Size	Available for Interview	Surveys Completed	Unadjusted Response Rate	Adjusted Response Rate
<i>Ethnicity</i>					
Black	1,088	1,080	833	76.6%	77.1%
White	341	337	231	67.7%	68.5%
Other	11	11	8	72.7%	72.7%
<i>Gender</i>					
Female	1,375	1,366	1,031	75.0%	75.5%
Male	65	62	40	61.5%	64.5%
Total	1,440	1,428	1,072	74.4%	75.1%

Second-Year Surveys

Exhibit I-4 shows the second-year response rates by the primary sampling strata. As shown in the exhibit, the overall adjusted response rate was about 70 percent. The strata with the highest response rates continued to be the two time-limited strata, with response rates of 75 percent to 76 percent. The next highest response rate was in the earned income high-risk stratum. The lowest response rates were in the “other” strata and the high-risk sanctions stratum.

Exhibit I-5 shows the second-year response rates by ethnicity and gender. As indicated, the response rate among whites continued to be lower than the response rate among blacks. In addition, the response rate among males continued to be lower than among females.

**EXHIBIT I-4
SECOND-YEAR RESPONSE RATES BY SAMPLING STRATA**

Stratum	Sample Size	Available for Interview	Surveys Completed	Unadjusted Response Rate	Adjusted Response Rate
Earned Income High-Risk	100	100	74	74.0%	74.0%
Earned Income Low-Risk	260	256	184	70.8%	71.9%
Sanctions High-Risk	102	101	62	60.8%	61.4%
Sanctions Low-Risk	258	256	183	70.9%	71.5%
Time Limit High-Risk	75	74	56	74.7%	75.7%
Time-Limit Low-Risk	285	285	220	77.2%	77.2%
Other High-Risk	82	81	46	56.1%	56.8%
Other Low-Risk	278	271	178	64.0%	65.7%
Total	1,440	1,424	1,003	69.7%	70.4%

**EXHIBIT I-5
SECOND-YEAR RESPONSE RATES BY ETHNICITY
AND GENDER**

Characteristic	Sample Size	Available for Interview	Surveys Completed	Unadjusted Response Rate	Adjusted Response Rate
<i>Ethnicity</i>					
Black	1,088	1,079	780	71.7%	72.3%
White	341	334	218	63.9%	62.9%
Other	11	11	4	36.4%	36.4%
<i>Gender</i>					
Female	1,375	1,362	968	70.4%	71.1%
Male	65	62	34	52.3%	54.8%
Total	1,440	1,424	1,003	69.7%	70.4%

Third-Year Surveys

Exhibit I-6 shows the third-year response rates by the primary sampling strata. As shown in the exhibit, the overall adjusted response rate was about 70 percent. The strata with the highest response rates continued to be the two time-limited strata, with response rates of 79 percent and 81 percent. The lowest response rates were in the “other” high-risk stratum.

Exhibit I-7 shows the third-year response rates by ethnicity and gender. The response rate among whites continued to be lower than among blacks, and the response rate among males continued to be lower than among females.

**EXHIBIT I-6
THIRD-YEAR RESPONSE RATES BY SAMPLING STRATA**

Stratum	Sample Size	Available for Interview	Surveys Completed	Unadjusted Response Rate	Adjusted Response Rate
Earned Income High-Risk	100	100	74	74.0%	74.0%
Earned Income Low-Risk	260	256	183	70.4%	71.5%
Sanctions High-Risk	102	100	69	67.6%	69.0%
Sanctions Low-Risk	258	254	168	65.1%	66.1%
Time Limit High-Risk	75	75	59	78.7%	78.7%
Time-Limit Low-Risk	285	284	230	80.7%	81.0%
Other High-Risk	82	81	43	52.4%	53.1%
Other Low-Risk	278	272	174	62.6%	64.0%
Total	1,440	1,422	1,000	69.4%	70.3%

**EXHIBIT I-7
THIRD-YEAR RESPONSE RATES BY ETHNICITY
AND GENDER**

Characteristic	Sample Size	Available for Interview	Surveys Completed	Unadjusted Response Rate	Adjusted Response Rate
<i>Ethnicity</i>					
Black	1,088	1,076	780	71.7%	72.5%
White	341	334	214	62.8%	64.1%
Other	11	11	6	54.5%	54.5%
<i>Gender</i>					
Female	1,375	1,359	966	70.3%	71.1%
Male	65	62	34	52.3%	54.8%
Total	1,440	1,422	1,000	69.4%	70.3%

E. ORGANIZATION OF THE REPORT

The remainder of the report presents the key findings from the surveys and the administrative data analysis, including comparisons of the three rounds of survey data. The findings are organized as follows:

- Chapter II provides findings on employment, earnings, work hours, reasons for not working, work history, household income, and poverty.
- For respondents who were still off welfare, Chapter III presents the findings on indicators of family well-being, including adverse events, food security, and life after welfare.
- Chapter IV presents the findings on child outcomes among families who were still off welfare.

- Chapter V provides findings on the use of benefit programs and child care by families who were still off welfare.
- Chapter VI presents the findings on recidivists among the survey sample.

Appendix A of the report provides additional analysis of the findings on child outcomes. For the additional analysis, we constructed a “child outcomes index” that combines the results for the child outcome questions into a single numerical measure for each respondent.

Appendix B of the report includes additional analyses of employment status, earnings, and other outcomes for *all* survey respondents, including those who were still off welfare and those who had returned to welfare.

Appendices C and D present data from administrative records systems on UI earnings, Food Stamp participation, Medicaid participation, and TANF recidivism among the members of the survey sample.

CHAPTER II: RESPONDENT CHARACTERISTICS AND REASONS FOR LEAVING WELFARE

This chapter describes the basic characteristics of the survey respondents, including their ethnicity, education, and age. The data are based on responses to the first round of surveys. The chapter also compares the different sampling strata in terms of respondent characteristics. Finally, the chapter examines the reasons given by respondents for leaving welfare.

A. CHAPTER SUMMARY AND ANALYSIS

The study found that there were major differences among the four sub-groups of welfare leavers in terms of demographics. For example, blacks accounted for 93 percent of the time-limited welfare leavers, but for only 70 percent of the persons who left welfare due to earnings. High school drop-outs accounted for 54 percent of the sanctioned leavers and for 48 percent of the time-limited leavers, but for only 29 percent of the persons who left welfare due to earnings. Persons aged 18-24 accounted for 33 percent of the sanctioned leavers but for only 12 percent of the time-limited leavers.

B. DEMOGRAPHIC CHARACTERISTICS OF THE RESPONDENTS IN EACH SAMPLE STRATUM

Reason for Leaving Welfare, by Demographics

Exhibit II-1 provides data on the ethnicity of the survey respondents in each of the four major strata reflecting the reason for leaving welfare.

- The data indicate that blacks accounted for 78 percent of all respondents but made up only 70 percent of persons who had left due to earned income and only 71 percent of persons who had left for “other” reasons.
- In contrast, blacks were disproportionately represented among persons who had left due to time limits, accounting for almost 93 percent of these cases.

**EXHIBIT II-1
REASON FOR LEAVING WELFARE, BY ETHNICITY**

Ethnicity	Earned Income	Sanctions	Time Limits	Other	Total
Black	70.0%	77.8%	92.9%	70.6%	78.3%
White	30.0%	22.2%	7.1%	29.4%	21.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Exhibit II-2 presents data on the educational levels of respondents by the reason for leaving welfare.

- As indicated in the exhibit, 44 percent of all survey respondents had not completed high school or a GED.
- The percentage was much higher among persons who had left due to sanctions (54 percent) and was somewhat higher among persons who had left due to time limits (48 percent).
- In contrast, only 29 percent of those who had left due to earnings had not completed high school or a GED.
- About 15 percent of the respondents had attended college. The percentage was much higher among respondents who left due to earnings (almost 22 percent) and much lower among cases that had left due to sanctions (11 percent).

EXHIBIT II-2 REASON FOR LEAVING WELFARE, BY EDUCATION

Education	Earned Income	Sanctions	Time Limits	Other	Total
Did not complete high school or GED	28.8%	54.3%	48.4%	45.7%	44.3%
Completed high school or GED only	49.4%	34.5%	37.9%	38.6%	40.1%
Attended college	21.7%	11.1%	13.7%	15.6%	15.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Exhibit II-3 presents data on reasons for leaving welfare, by the age of the survey respondents.

- The data indicate that respondents aged 18-24 accounted for 20 percent of all respondents.
- However, 18-24 year olds accounted for 33 percent of the cases that left welfare due to sanctions.
- In contrast, cases involving 18-24 year olds represented only about 12 percent of the cases leaving due to time limits.
- Respondents aged 30 and older accounted for 55 percent of all cases but for almost 63 percent of cases that left due to time limits. Respondents aged 30 and older represented only 44 percent of the cases that left due to sanctions.
- Cases involving respondents aged 40 and older accounted for almost 23 percent of cases leaving welfare for “other reasons” -- compared to only 10 percent of the sanction cases.

**EXHIBIT II-3
REASON FOR LEAVING WELFARE, BY AGE**

Age	Earned Income	Sanctions	Time Limits	Other	Total
18-24	18.9%	33.0%	11.7%	17.9%	20.2%
25-29	28.1%	22.9%	25.6%	23.0%	25.0%
30-34	19.5%	15.2%	25.1%	18.9%	19.8%
35-39	16.4%	18.6%	20.0%	17.5%	18.2%
40+	17.2%	10.4%	17.6%	22.7%	16.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Relationships Among Demographic Characteristics

Exhibit II-4 provides data on educational level by ethnicity among the survey respondents.

- The data indicate that whites were somewhat more likely than blacks to have completed high school or a GED and were also slightly more likely to have attended college.

**EXHIBIT II-4
EDUCATIONAL LEVEL BY ETHNICITY**

Education	Black	White	Total
Did not complete high school or GED	40.5%	37.1%	44.3%
Completed high school or GED only	42.5%	43.8%	40.1%
Attended college	17.0%	19.1%	15.5%
Total	100.0%	100.0%	100.0%

Exhibit II-5 provides data on educational level by the age of the survey respondents.

- The data indicate that respondents aged 18-24 were the most likely not to have completed high school or a GED (almost 49 percent), followed by respondents aged 40 and older (42 percent).
- In contrast, only about 34 percent of the respondents aged 30-39 had not completed high school or a GED.
- Only 9 percent of respondents aged 18-24 had attended college, compared to more than a fifth of the respondents aged 35 and older.

**EXHIBIT II-5
EDUCATIONAL LEVEL BY AGE**

Education	18-24	25-29	30-34	35-39	40+	Total
Did not complete high school or GED	48.8%	38.1%	33.9%	34.7%	42.5%	44.3%
Completed high school or GED only	42.2%	42.6%	49.9%	44.4%	35.3%	40.1%
Attended college	9.0%	19.3%	16.3%	20.9%	22.2%	15.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Exhibit II-6 provides data on the age of survey respondents by ethnicity. The data show the following:

- Respondents aged 18-24 represented almost 22 percent of black respondents but only 18 percent of white respondents.
- Respondents aged 40 and older represented 18 percent of black respondents, compared to only 14 percent of white respondents.

**EXHIBIT II-6
AGE BY ETHNICITY**

Age	Black	White	Total
18-24	21.6%	17.9%	20.2%
25-29	24.4%	29.0%	25.0%
30-34	19.3%	18.9%	19.8%
35-39	16.7%	20.2%	18.2%
40+	18.0%	14.1%	16.9%
Total	100.0%	100.0%	100.0%

C. SELF-REPORTED REASONS FOR LEAVING WELFARE

In the previous exhibits, the reason for leaving welfare was based on administrative data. The survey respondents, however, were also asked to self-report the reasons why they had left welfare. It should be noted that the question on reasons for leaving welfare was open-ended. Specifically, respondents were *not* read a list of possible reasons for leaving welfare and then asked to respond to each item in the list. Therefore, the survey responses may not provide a complete list of all the possible reasons why respondents left welfare. Respondents could provide more than one reason for having left welfare.

Exhibit II-7 shows the self-reported reasons given by respondents for leaving welfare, by the reasons indicated in the administrative data (i.e., the four sampling strata).

- The data indicate that 63 percent of cases in the earned income stratum reported that they left welfare because they got a job, and almost 19 percent mentioned earnings.
- About 6 percent of the earned income cases mentioned that they had left because their benefits ran out. It is possible that when these survey respondents reported that their benefits had run out, they were not referring to time limits but to the fact that they lost eligibility for other reasons. It is also possible that some of the respondents may have left welfare for work because they were due to reach their time limits in the near future.
- About 36 percent of the sanctioned cases reported that they left welfare for a job and 10 percent mentioned earnings. Only a very small percentage of the sanctioned respondents mentioned that they had not complied with program requirements. It is likely that the percentage would have been higher if the respondents had been required to respond to a list of reasons.
- Among the cases in the time-limited stratum, almost 73 percent mentioned the time limit as the reason for leaving welfare. About 24 percent mentioned leaving welfare for a job and 4.5 percent cited earnings. These respondents may have been waiting for their time limit to run out before taking a job.
- Among cases in the “other” stratum, 39 percent mentioned a job as the reason for leaving and 15 percent cited earnings. Overall, almost 9 percent said that they simply did not want to be on welfare anymore, and almost 5 percent said that the requirements were too much hassle. Another 5 percent of this stratum mentioned getting married or moving in with their partner.
- Across all of the four strata, very few respondents mentioned reasons such as not being able to complete the training or education, not having transportation or child care to meet work requirements, or having problems with their caseworkers.

EXHIBIT II-7 MOST COMMON SELF-REPORTED REASONS FOR LEAVING WELFARE, BY SAMPLE STRATUM

Reason	Earned Income	Sanctions	Time Limits	Other
Got a job	63.4%	36.5%	24.0%	39.3%
Earned too much money	18.8%	10.1%	4.5%	14.7%
Simply did not want to be on welfare anymore	6.6%	12.1%	3.5%	8.8%
Benefits ran out	6.3%	12.0%	72.9%	4.9%
Left for reasons of pride/dignity	5.0%	6.6%	2.5%	4.2%
Requirements too much hassle	1.8%	7.0%	1.1%	4.6%
Child support income too much	1.8%	4.0%	0.7%	4.4%
Total	100.0%	100.0%	100.0%	100.0%

CHAPTER III: WELFARE STATUS, EMPLOYMENT, EARNINGS, AND HOUSEHOLD INCOME

This chapter presents information on the welfare and employment status of the sample of welfare leavers, as well as information on earnings, work hours, barriers to employment, and total household income. The data are based on the follow-up surveys and an analysis of UI earnings data on the samples. Additional data on employment and earnings among the sample members are also presented in Appendix B and Appendix C.

A. CHAPTER SUMMARY AND ANALYSIS

In examining employment patterns and household income among welfare leavers, policy makers are concerned about a number of key issues, as follows:

- To what extent are welfare leavers able to obtain and retain jobs over the long-term?
- Are they able to get jobs with adequate wages and benefits?
- Can they make earnings gains in their jobs over time or do they tend to stay in the lowest-paying jobs?
- Are they able to improve their household incomes after leaving welfare so that they can adequately support their families?

This section presents a summary and analysis of the key findings in the chapter, examining employment patterns, earnings, income, and related outcomes among the sample of welfare leavers in South Carolina.

Overall Welfare and Employment Status of the Leavers

Among the sample of welfare leavers who responded to the surveys, the percentage who were working and still off welfare declined slightly from 57 percent at Round 1 to 55 percent at Round 2 and to 54 percent at Round 3. The overall percentage who were working (including those off welfare and those back on welfare) declined from 59 percent at Round 1 to 56 percent at Round 2 and to 55 percent at Round 3.

This indicates that the sample members did not make any progress in their employment rates between their first and third years after leaving TANF. This is disappointing because of expectations that welfare leavers might gradually improve their employment status over time as they become more familiar with the work place and develop work experience and job skills.

However, the findings also show that the leavers did not experience any substantial deterioration in their employment situation. One concern of policy makers is that many of the families leaving welfare might not be able to sustain their position in the labor market over time.

This concern does not find any support in the data from the surveys. The findings also show that a majority of the welfare leavers have managed to maintain employment.

Of the respondents who were still off welfare at Round 3, 59 percent were employed. This was slightly lower than the 61 percent found at Round 1. However, about 68 percent of the respondents who were still off welfare at Round 3 were either working or living with an employed adult. The presence of other employed adults in the household seems to be a factor in mitigating some of the employment problems experienced by the leavers themselves.

The percentage of leavers who were back on TANF declined from 6.8 percent at Round 1 to 5.8 percent at Round 2 but increased to 8 percent at Round 3. This indicates that very few of the leavers went back on welfare, even though most of them had not reached their two-year time limit. The increase in Round 3 may reflect the downturn in the economy during 2001.

No Welfare/No Work

One area of concern is that more than a third of the leavers were still off welfare but not working. In fact, the percentage increased from 36.5 percent at Round 1 to 38.8 percent at Round 2 and stood at 37.8 percent at Round 3. The percentage of respondents in this category declines somewhat when we consider situations in which the respondent was not working but was living with an employed adult. As noted, 68 percent of the leavers who were still off welfare at Round 3 were either working themselves or living with an employed adult. However, at each round of surveys, almost one-third of the leavers who were still off welfare were unemployed and not living with an employed adult. Many of these leavers were sporadically employed during the follow-up period, but they are a potential source of concern.

Differences in Employment Based on Reason for Leaving Welfare

Another key finding from the study is that employment rates varied considerably by the reason why persons left welfare, although the differences among the four groups narrowed somewhat between the first and second year surveys. At the time of the third-year surveys, 61 percent of the earned income leavers were still off welfare and working, compared to only 43 percent of the sanctioned group and 46 percent of the time-limited group. This finding raises potential issues about whether the sanctioned and time-limited groups were ready for stable employment at the time when they had to leave welfare.

Employment Status by Education

Educational attainment had a major impact upon employment rates among persons still off welfare. At Round 3, only 47 percent of the respondents who had not completed high school or a GED were working at follow-up, compared to 63 percent of those who had completed high school only, and 67 percent of those who had attended a two-year or four-year college. In addition, high school drop-outs showed no gains in employment between Round 1 and Round 3.

This finding raises the concern that high school drop-outs may need special attention while they are on welfare to help ensure that they obtain stable employment after they leave. Job retention services should also be focused on persons who lack a high school diploma.

It is not clear, however, that more education is the answer to the problem. Although some of the drop-outs may be experiencing employment problems simply because they lack a high school diploma -- particularly if they apply for office jobs or jobs in the health care sector-- their difficulties may partly be due to other factors that may explain their failure both in school and the labor market. These difficulties may include learning problems, literacy problems, intergenerational poverty, poor self-esteem and motivation, lack of role models, and other factors.

Continuity of Employment Among Persons Still Off Welfare

The UI data on employment patterns among the leavers raise some concerns about employment continuity among the samples, although it should be noted that the UI data probably undercount actual employment. The data showed that only 27 percent of the persons who were still off welfare at the time of the Round 3 surveys had been employed in all 10 quarters since leaving welfare. An additional 22 percent had been employed in 8 or 9 quarters. Almost 12 percent had been employed in none of the 10 quarters, and almost 30 percent had been employed in 4 or fewer quarters. Among the sub-groups, almost 40 percent of the earned income leavers had earnings in all 10 quarters, compared to only 11 percent of sanctioned leavers, 17 percent of time-limited leavers, and 19 percent of other leavers.

This finding indicates that many of the welfare leavers are experiencing problems in maintaining stable employment over the long-term. More resources for job retention services may be appropriate for certain categories of welfare leavers.

Types of Occupations

The occupation in which a welfare leaver finds work can have important implications for job stability, health care access, and ability to meet the family's financial needs. In general, occupations such as office work and factory work tend to be preferable to retail/sales, restaurant work, and housekeeping work. For example, office work and factory work are typically preferable in such areas as wage rates, number of work hours per week, work schedules, availability of employer health insurance and other benefits, and opportunities for advancement. This can have an effect on job satisfaction and the likelihood that leavers will stay in their jobs. In addition, if welfare leavers are working for employers who do not offer affordable health benefits, they may lack access to needed health care services.

The study showed, in fact, that earnings among the employed leavers who were still off welfare were higher in such occupations as clerical jobs, factory/assembly work, and health care. Wages were lowest in service and sales occupations. This finding has implications for job placement strategies.

The findings from the surveys also showed that 14 percent of the employed leavers who were still off welfare were working in office jobs at the time of the second round of surveys. This was largely unchanged from Round 1, suggesting that the leavers were not making any significant progress in moving from retail/sales, restaurant, and housekeeping jobs to the more desirable office jobs. However, almost 12 percent of the employed leavers at Round 2 were working in factory/assembly jobs, and 13 percent were in health care jobs. The remaining respondents were mostly involved in retail/sales, restaurant work, housekeeping, and low-skilled service jobs.

Another key finding is that persons who left welfare due to sanctions and time-limits were more likely than other respondents to be working in restaurants and housekeeper positions. This suggests that persons who left welfare due to sanctions or time limits were experiencing more problems than other leavers in finding desirable jobs.

Work Hours

One concern of policymakers is whether welfare leavers will be able to obtain enough work hours per week to support their families. In particular, there is concern that many leavers may end up in part-time jobs or in jobs with unstable work hours.

The study found that among respondents who were still off welfare and working at Round 3, almost 81 percent were working 30 or more hours per week. This was the same as at Round 1. Average work hours were about 35 hours per week at Round 3, slightly lower than the mean of almost 36 hours at Round 1. These are generally positive findings but also show that, on average, the leavers were not making gains in their work hours.

Although the overall picture is positive, about 5 percent of the employed leavers at each round were working less than 20 hours per week. Overall, at Round 3, about 19 percent were working less than 30 hours per week. This indicates that, in addition to the 32 percent of leavers who were not working or living with an employed adult at Round 3, another key group were “underemployed” and had very low work hours.

Non-Traditional Work Schedules

Another area of concern for welfare policy is that many welfare leavers may end up in jobs that involve non-traditional work schedules, such as evening shifts or weekends. The issue here is that welfare leavers may not be able to find adequate child care or transportation for jobs with non-traditional schedules or may quit the jobs because of the undesirable hours.

At Round 3, about 22 percent of the employed leavers who were still off welfare were working all or part of their workday outside normal business hours, mostly in the evenings. This finding indicates that a large percentage of the employed leavers may be facing difficulties in arranging child care and transportation to work. In addition, the percentage working outside normal business hours was only slightly lower at Round 3 than at Round 1, indicating that the leavers were not making much progress moving into jobs with more desirable work schedules.

Another finding was that 47 percent of the employed respondents at both Round 3 always or usually worked on weekends. This was largely unchanged from Round 1.

Earnings and Wage Rates

As indicated, policymakers are concerned that many welfare leavers may only be able to obtain low-paying jobs that do not provide enough income to support their families. In addition, there is concern that welfare leavers may get trapped in ‘dead-end’ low-skill jobs with little opportunity for pay increases over time.

On the positive side, the surveys showed that median monthly earnings among employed respondents who were still off welfare increased by 10 percent between Round 1 and Round 2 – from \$1,020 to \$1,126. Earnings increased more rapidly for the persons who left welfare due to earned income than for the sanctioned and time-limited leavers, but all groups made gains. On the less positive side, however, median monthly earnings at Round 3 showed no basic change from Round 2.

In addition, average earnings among employed leavers who were still off welfare at Round 3 were much higher for persons who left welfare due to earned income. For example, employed persons who left welfare due to earnings had mean earnings that were 18 percent higher than for persons who left due to time limits and 16 percent higher than for persons who left due to sanctions.

In terms of earnings ranges, 60 percent of the employed leavers who were still off welfare at Round 3 were earning more than \$1,000 per month. However, 22 percent were earning \$750 per month or less. This indicates that many of the employed leavers did not have adequate earnings. The percentage of employed respondents earning \$750 per month or less was especially high among the sanctioned leavers (almost 34 percent) and time-limited leavers (32 percent), raising further concerns about these groups.

Educational attainment also had a major effect upon earnings. Of the employed high school drop-outs, only 56 percent were earning more than \$1,000 per month. By comparison, about 73 percent of the persons who had attended college were earning more than \$1,000 per month. This finding confirms that drop-outs were experiencing substantial difficulties in finding adequate employment. In addition, drop-outs experienced much smaller earnings gains than other respondents. Among persons who had attended college, median earnings increased by 17 percent between Round 1 and Round 3. The increase was only 6 percent for high school drop-outs and 7 percent for those who had completed high school only.

Hourly Wage Rates

Despite concerns that most welfare leavers may end up in minimum wage jobs, many of the leavers were able to obtain jobs paying well above the minimum wage. At Round 3, about 57 percent of the respondents who were working and still off welfare were employed in jobs that paid \$7 per hour or more, compared to 39 percent in Round 1. However, about 50 percent of those who had left welfare due to time limits were working in jobs that paid less than \$7 per

hour, compared to only 40 percent of employed respondents who had left welfare due to earnings. Overall, 20 percent of the employed respondents at Round 3 were in jobs paying less than \$6 per hour. This indicates that while the leavers were making progress moving out of low-wage jobs, some of the leavers were not making the transition.

Reasons for Not Working

The surveys showed that 22 percent of the respondents who were still off welfare but not working at Round 3 mentioned their own physical or mental health problems as the most important reason for not working. This was largely unchanged from Round 1. Another 3 percent of the Round 3 respondents mentioned the health condition of a family member. These findings suggest that many of the welfare leavers who are unemployed may face serious personal barriers to employment. These problems cannot necessarily be resolved simply by focusing on job search assistance or other employment-related services while they are on welfare.

Overall, about 54 percent of the unemployed respondents at Round 3 had worked in the past 12 months. This finding suggests that about half of the unemployed respondents may have had long-term employment barriers, although some of these respondents were staying out of the workforce voluntarily.

Marriage and Family Formation

Some policymakers have expressed the hope that welfare reform may encourage marriage and family formation among welfare leavers as an alternative to relying on welfare. Of the respondents who were still off welfare, the percentage who were living with a spouse or partner increased only slightly from 15 percent at Round 1 to 16.5 percent at Round 3. This indicates that there was not a major trend toward marriage among the leavers. However, among the persons who left welfare due to sanctions, the percentage living with a spouse or partner increased from 10 percent to 15 percent. Overall, almost 35 percent of the respondents who were still off welfare at Round 3 were living with at least one other adult.

Total Household Income

One of the key issues for welfare leavers is whether they are able to generate enough household income to provide an alternative to public assistance. Among persons still off welfare at Round 3, about 59 percent reported household income of \$1,000 or more. Of the Round 3 respondents who had left welfare due to earnings, 66 percent reported income of \$1,000 per month or more, compared to only 41 percent of those who left due to time limits and 47 percent of those who left due to sanctions.

These findings indicate that the welfare leavers were making some progress in building household income. However, a large percentage of the leavers continued to have incomes below \$1,000 per month. Of the Round 3 respondents who had not completed high school, only 51 percent reported monthly household income of \$1,000 or more, compared to 72 percent of those who had attended college.

Poverty Status

One of the questions raised by policymakers is whether welfare leavers are able to escape poverty after leaving welfare. At Round 3, about 38 percent of the families who were still off welfare were living in households with incomes above the poverty level, based on reported household income. This was an increase from 35 percent at Round 2 and 32 percent at Round 1. The percent of leavers who were in “extreme poverty” – defined as below 50 percent of the poverty level – declined from 31 percent at Round 1 to 20 percent at Round 3. At Round 3, almost 81 percent of the time-limited leavers and 76 percent of the sanctioned leavers were below the poverty level. In contrast, only 52 percent of the earned income leavers and 59 percent of the “other” leavers were below the poverty level. About 32 percent of the sanctioned leavers were in extreme poverty at Round 3 – down from 46 percent at Round 1. About 33 percent of the time-limited leavers were in extreme poverty at Round 3 – down from 53 percent at Round 1.

These findings indicate that the leavers were making steady progress in escaping poverty. However, slightly more than two-thirds of the families who were still off welfare at Round 3 were below the poverty level.

Child Support and SSI

Child support and SSI are potentially important sources of income for families who have left the welfare rolls. At Round 3, about 32 percent of the persons who were still off welfare identified child support as a primary source of income – up from 26 percent at Round 1. About 20 percent of the Round 3 respondents who were still off welfare identified SSI or Social Security as a primary source of income.

Use of the Earned Income Tax Credit (EITC)

The EITC is potentially an important source of supplemental income for low-wage workers with children. Although 80 percent of the leavers who were still off welfare at Round 3 had heard of the tax credit, only 45 percent had ever used it. Almost all of the leavers who had worked at any time since leaving welfare should have been eligible for the tax credit. This suggests that more needs to be done to educate welfare recipients about who is eligible and how to claim the credit.

B. OVERALL WELFARE AND EMPLOYMENT STATUS OF THE SURVEY RESPONDENTS

- Exhibit III-1 shows the overall TANF and employment status of the survey respondents at each round of surveys. As indicated, 56.7 percent of the Round 1 respondents were still off TANF and were working at the time of the Round 1 surveys. Another 36.5 percent of the Round 1 respondents were still off TANF but were not working. About 2.7 percent were back on TANF but were working. The remaining 4.1 percent were back on TANF and not working.

- As indicated in the exhibit, the percentage of respondents who were off welfare and working declined slightly from 56.7 percent at Round 1 to 55.5 percent at Round 2. The percentage of respondents who were off welfare but not working increased from 36.5 percent to 38.8 percent. The percentage who were back on welfare declined from 6.8 percent to 5.8 percent. The overall percentage who were working (including those off welfare and those back on welfare) declined from 59.4 percent to 56.7 percent.
- The percentage of respondents who were off welfare and working declined slightly from 55.5 percent at Round 2 to 54.1 percent at Round 3. However, the percentage of respondents who were off welfare but not working declined from 38.8 percent to 37.8 percent. The percentage of respondents who were back on welfare increased from 5.8 percent at Round 2 to 8.0 percent at Round 3.

EXHIBIT III-1 OVERALL WELFARE AND EMPLOYMENT STATUS OF THE SURVEY RESPONDENTS

ROUND 1

Status	Reason for Leaving TANF				Total (n=1,072)
	Earned Income (n=271)	Sanctions (n=263)	Time Limits (n=292)	Other (n=246)	
Off welfare and working	70.5%	35.9%	49.8%	49.7%	56.7%
Off welfare, not working	23.5%	52.8%	48.6%	43.5%	36.5%
Back on welfare, working	3.2%	2.2%	1.1%	2.8%	2.7%
Back on welfare, not working	2.9%	9.1%	0.5%	3.9%	4.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

ROUND 2

Status	Reason for Leaving TANF				Total (n=1,003)
	Earned Income (n=258)	Sanctions (n=245)	Time Limits (n=276)	Other (n=224)	
Off welfare and working	61.2%	41.2%	53.1%	57.9%	55.5%
Off welfare, not working	30.8%	54.2%	46.7%	37.1%	38.8%
Back on welfare, working	1.7%	0.5%	0.0%	1.2%	1.2%
Back on welfare, not working	6.2%	4.1%	0.2%	3.8%	4.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

ROUND 3

Status	Reason for Leaving TANF				Total (n=1,000)
	Earned Income (n=257)	Sanctions (n=237)	Time Limits (n=289)	Other (n=217)	
Off welfare and working	61.5%	42.8%	46.2%	52.2%	54.1%
Off welfare, not working	30.0%	44.8%	53.0%	40.5%	37.8%
Back on welfare, working	1.4%	1.6%	0.4%	0.5%	1.1%
Back on welfare, not working	7.0%	10.8%	0.4%	6.7%	6.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Results by Reason for Leaving TANF

- Exhibit III-1 shows that 70 percent of the respondents who left TANF due to **earned income** were still off welfare and working at Round 1. This was much higher than the other three sub-groups. Overall, 73.7 percent were working, including those off welfare and those who were back on welfare. The Round 2 and Round 3 results show a decline in the percentage who were off welfare and working – from 70 percent to 61 percent. This was mostly due to an increase in the percentage who were still off welfare but not working. Overall, the percentage who were working (including the recidivists) declined from 73.7 percent at Round 1 to 62.9 percent at both Round 2 and Round 3.
- Of the **sanctioned** group, only about 36 percent were still off welfare and employed at Round 1. Overall, 38.1 percent were working. The percentage of sanctioned cases who were off welfare and working increased from 36 percent at Round 1 to 41 percent at Round 2 and again to 43 percent at Round 3. The overall percentage who were working (including the recidivists) increased from 38 percent at Round 1 to 44 percent at Round 3. About 12 percent of the sanctioned group were back on welfare at Round 3 – a higher rate than the other groups.
- Slightly less than half of the **time-limited** group were still off welfare and working at Round 1. Overall, about 51 percent of the time limited group were working. The percentage of time limited cases who were off welfare and working increased to 53 percent at Round 2 but declined to 46 percent at Round 3. The overall percentage who were working increased from 51 percent at Round 1 to 53 percent at Round 2 but fell to less than 47 percent at Round 3. The percentage who were off welfare and not working increased from 49 percent at Round 1 to 53 percent at Round 3.
- Of the “**other**” leavers, about 50 percent were off welfare and working at Round 1. This increased to 58 percent at Round 2 but declined to 52 percent at Round 3.

C. UI DATA ON EMPLOYMENT AMONG SAMPLE MEMBERS

This section presents UI earnings data showing employment rates among all members of the sample, including persons who did not respond to the survey. More information on the UI data analysis is presented in Appendix C. It should be noted that the UI wage records system has two major limitations as a source of information on employment patterns, as follows:

- The wage records contain information only on persons who are working in South Carolina. Sample members who have left the state and may be employed elsewhere cannot be tracked through the state's wage records system.
- The UI wage record system can be used to track persons in UI-covered employment. Employment in jobs that are not covered by the UI system cannot be tracked through the wage records.

For these reasons, a UI wage record match will tend to understate the percentage of sample members who are employed. The disparity may increase over time as more sample members leave South Carolina. Another issue with the UI wage record data is that the data are based on quarterly earnings. This poses a challenge in terms of comparing the UI wage record information with the results of the survey data. Specifically, the surveys gathered information on the employment status of the respondent on the day when they were surveyed.

Overall Employment Patterns Among the Sample

- Exhibit III-2 presents the results of the UI wage record match for all 1,440 sample members for the 10 quarters after they left welfare. These include persons who were still off welfare and those who had returned. It also includes persons who did not respond to the survey.
- The data indicate that about 59 percent of the sample members had UI wages during the fourth quarter after leaving welfare. This percentage declined somewhat to 53 percent in the eighth quarter after leaving welfare.
- As indicated previously in Exhibit III-1, the survey data for all respondents showed that 59.4 percent were employed at about one year after leaving welfare, and that 56.7 percent were employed about two years after leaving welfare.

**EXHIBIT III-2
PERCENT OF SAMPLE MEMBERS WITH UI WAGES,
BY REASON FOR LEAVING WELFARE**

Quarter After Leaving Welfare	Earned Income	Sanction	Time Limit	Other	Total
Quarter left welfare	83.3%	34.8%	51.0%	52.7%	63.0%
1 st	77.7%	46.5%	50.6%	50.9%	62.4%
2 nd	75.8%	50.7%	57.9%	48.6%	62.6%
3 rd	75.1%	51.5%	56.0%	46.6%	61.9%
4 th	72.8%	44.8%	53.3%	47.1%	59.2%
5 th	68.2%	47.7%	55.7%	47.3%	57.9%
6 th	66.8%	47.9%	59.2%	46.9%	57.7%
7 th	64.3%	46.8%	56.8%	50.2%	56.8%
8 th	59.4%	44.1%	52.8%	48.4%	53.1%
9 th	63.3%	42.0%	51.0%	51.0%	54.9%
10 th	63.4%	43.7%	54.6%	49.5%	55.3%

UI Employment Rates by Sub-Groups

- In terms of the sub-groups in the sample, Exhibit III-2 shows the following:
 - Cases that left due to earned income still had the highest employment rate of the four groups, but the percent who had UI earnings declined from 72.8 percent in the 4th quarter after leaving to 59.4 percent in the 8th quarter. This is similar to the data collected through the surveys.
 - Cases that left due to time limits had the second highest employment rate among the four groups, and the rate declined only slightly from 53.3 percent in the 4th quarter to 52.8 percent in the 8th quarter. The survey data showed a slight increase in employment rates among this group.
 - Cases that left for “other” reasons had the next highest employment rate, and the rate was relatively stable between the 4th and 8th quarters. As noted above, the survey data showed a clear increase in the employment rates for this group.
 - Cases that left due to sanctions continued to have the lowest employment rate of the four groups – 44.1 percent in the 8th quarter -- but the rate did not decline between the 4th and 8th quarter. The survey data showed a slight increase in the employment rate for this group.

Employment Trends After Leaving Welfare

- Exhibit III-2 also shows the trends in UI employment varied among the four sub-groups. Among persons who left welfare due to earnings, the percentage with UI earnings began very high at 83.3 percent in the first quarter, but declined steadily to 72.8 percent in the fourth quarter and to 59.4 percent in the 8th quarter. Some of this decline may have been due to sample members leaving South Carolina.
- In contrast, the UI employment rate was relatively stable among the time limited and “other” groups and actually increased slightly in the case of the sanctioned group.

D. EMPLOYMENT STATUS OF RESPONDENTS STILL OFF WELFARE

This section presents survey data and UI data on persons still off welfare at the time of the surveys. The UI data are used to examine *employment continuity* among the sample members over time.

Overall Employment Status of Survey Respondents Still Off Welfare

- Survey respondents were asked whether they were working for pay at the time of the interviews, including working for an employer or self-employment.
- As indicated in Exhibit III-3, almost 59 percent of the respondents who were still off welfare at Round 3 were working for pay at the time of the surveys. This was largely unchanged from Round 2 but was a slight decline from 60.7 percent at Round 1.
- The data indicate that the differences between the four strata narrowed between the Round 1 and Round 2 of surveys.
- For example, 66 percent of the respondents who left welfare due to earnings were working at Round 2, a decline from 74.9 percent at Round 1.
- In contrast, employment rates among the other three strata increased between Round 1 and Round 2, with the “other” group increasing the most – from 53 percent to 61 percent.
- At Round 3, however, the employment rate among the sanctioned leavers had declined to 49 percent, and the rate among the time-limited leavers declined to less than 47 percent.
- Despite some narrowing in differences among the four groups, persons who left welfare due to earnings were employed at a much higher rate at Round 3 (67 percent) than those who left due to sanctions (49 percent) and time limits (47 percent).

**EXHIBIT III-3
SURVEY RESPONDENTS STILL OFF WELFARE AT FOLLOW-UP –
PERCENT WORKING FOR PAY, BY REASON LEFT WELFARE**

Reason	Round 1	Round 2	Round 3
Earned income	74.9%	66.5%	67.2%
Sanctions	40.4%	43.2%	48.8%
Time limits	50.2%	53.2%	46.6%
Other	53.3%	61.0%	56.3%
Total	60.7%	58.9%	58.8%

Employment Status by Ethnicity Among Respondents Still Off Welfare

- Exhibit III-4 shows that, overall, blacks were somewhat more likely than whites to be employed at Round 3. This was also true for Round 2.
- The rate of employment among blacks was about the same at all three rounds (60.9 percent, 59.8 percent, and 59.8 percent). The rate of employment among whites declined from 60.2 percent at Round 1 to 55.5 percent at Round 2, but increased slightly to 56.4 percent at Round 3.
- At Round 2, the difference between blacks and whites was especially large among persons who left due to sanctions and those who left due to “other” reasons.
- Among cases that left due to time limits, there was no difference between blacks and whites in the employment rate.

**EXHIBIT III-4
PERCENT OF RESPONDENTS WORKING FOR PAY AT FOLLOW-UP,
BY ETHNICITY, ROUND 3**

Stratum	Black	White
Earned income	70.1%	61.0%
Sanctions	49.1%	47.9%
Time limits	45.6%	57.2%
Other	58.9%	51.6%
Total	59.8%	56.4%

Employment Status by Education Among Respondents Still Off Welfare

- Exhibit III-5 indicates that only 47 percent of the respondents who had not completed high school or a GED were working at follow-up, compared to 63

percent of those who had completed high school only, and 76 percent of those who had attended a two-year or four-year college.

- The employment rate among high school drop-outs declined from about 51 percent at Round 1 and Round 2 to 47 percent at Round 3.
- Among persons who had completed high school only, the employment rate fell from 66 percent in Round 1 to 63 percent in both Round 2 and Round 3.
- Among persons who had attended college, the employment rate fell from 72 percent in Round 1 to 67 percent in Round 2, but increased to 76 percent at Round 3.
- Among high school drop-outs who had left welfare due to **sanctions**, the employment rate increased from 28 percent in Round 1 to 36 percent in Round 2 and 40 percent in Round 3.
- Among high school drop-outs who left welfare due to **time limits**, the employment rate declined from 46 percent at Round 2 to 38 percent at Round 3.
- Education also continued to be an important factor in the rate of employment among those who had left due to **earnings**. At Round 3, only 56 percent of the drop-outs who left due to earnings were employed, compared to 86 percent of the persons who had attended college.

EXHIBIT III-5 PERCENT OF RESPONDENTS WORKING FOR PAY AT FOLLOW-UP, BY EDUCATION, ROUND 3

Stratum	Did Not Complete High School or GED	Completed High School or GED Only	Attended College
Earned income	56.0%	66.2%	86.4%
Sanctions	40.3%	58.7%	59.5%
Time limits	38.5%	56.2%	50.6%
Other	47.4%	63.0%	67.1%
Total	47.3%	63.3%	76.1%

Length of Time in Current Job

- Exhibit III-6 indicates that 58 percent of the employed Round 3 respondents had been in their current job for more than one year, compared to 51 percent of employed Round 2 respondents and only 15 percent of the employed respondents at Round 1.

- Among currently employed respondents at Round 3, those who had left welfare due to earnings or for “other “reasons had been in their current job longer on average than respondents who had left welfare due to sanctions or time limits.
- However, all four groups experienced major gains in the percentage who had been employed for a year or more in their current jobs.

**EXHIBIT III-6
LENGTH OF TIME IN CURRENT JOB, BY REASON
FOR LEAVING WELFARE**

Round 1					
Time in Job	Earned Income	Sanctions	Time Limits	Other	Total
One month or less	14.3%	24.2%	17.4%	20.6%	15.7%
More than 1 month but less than 6 months	21.0%	25.5%	27.9%	16.8%	26.9%
More than 6 months but less than 12 months	49.2%	42.1%	34.2%	37.1%	42.5%
12 months or more	15.5%	8.2%	20.6%	25.4%	14.9%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Median months	7.0	5.0	6.0	6.0	6.0
Round 2					
Time in Job	Earned Income	Sanctions	Time Limits	Other	Total
One month or less	10.7%	19.5%	14.0%	9.8%	12.2%
More than 1 month through 6 months	25.6%	36.5%	27.8%	24.1%	27.2%
More than 6 months but less than 12 months	8.6%	11.9%	9.9%	9.2%	9.4%
12 months or more	55.1%	32.2%	48.3%	56.8%	51.2%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Median months	12.0	6.0	9.7	12.0	12.0
Round 3					
Time in Job	Earned Income	Sanctions	Time Limits	Other	Total
One month or less	7.6%	8.1%	17.4%	6.1%	8.4%
More than 1 month through 6 months	20.6%	37.9%	21.5%	23.0%	23.9%
More than 6 months but less than 12 months	10.5%	11.5%	8.0%	4.7%	9.3%
12 months or more	61.4%	42.5%	53.1%	66.1%	58.5%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Median months	12.0	7.0	12.0	12.0	12.0

E. EMPLOYMENT CONTINUITY AMONG THE SAMPLE

This section presents UI data on employment continuity among the survey respondents who were still off welfare at the time of the surveys. To measure employment continuity, we examined the number of quarters that sample members were employed during the follow-up periods. Additional analysis is presented in Appendix C.

Continuity of Employment Among Persons Still Off Welfare

- Exhibit III-8 presents data on employment continuity for persons who responded to Round 3 of the surveys and who were still off welfare. Employment continuity is measured in terms of the number of quarters in which respondents had UI earnings during the 10-quarter follow-up period.
- The data show that about 27 percent of the persons who were still off welfare had been employed in all 10 quarters, and that an additional 22 percent had been employed in 8 or 9 quarters.
- Almost 12 percent had not been employed in any of the 10 quarters, and almost 30 percent had been employed in 4 or fewer quarters.
- Among the sub-groups, 40 percent of the earned income leavers had earnings in all 10 quarters, compared to only 11 percent of sanctioned leavers, 17 percent of time-limited leavers, and 19 percent of other leavers.

**EXHIBIT III-7
NUMBER OF QUARTERS WITH REPORTED UI EARNINGS AMONG
ROUND THREE SURVEY RESPONDENTS WHO WERE STILL OFF
WELFARE, BY REASON FOR LEAVING WELFARE**

Number of Quarters Employed	Earned Income	Sanctions	Time Limit	Other	Total
N	233	206	288	206	908
0 quarters	6.2%	14.8%	11.9%	21.9%	11.7%
1 quarter	3.0%	9.4%	8.4%	4.6%	5.2%
2 quarters	4.0%	5.8%	5.3%	1.9%	4.1%
3 quarters	3.3%	6.8%	3.2%	5.2%	4.3%
4 quarters	2.5%	7.2%	6.0%	6.5%	4.6%
5 quarters	7.2%	7.6%	7.0%	10.1%	7.8%
6 quarters	3.5%	10.2%	10.5%	6.3%	6.2%
7 quarters	6.5%	5.8%	8.3%	7.6%	6.8%
8 quarters	8.2%	10.4%	10.3%	9.5%	9.2%
9 quarters	15.4%	11.2%	12.5%	7.6%	12.6%
10 quarters	40.2%	11.1%	16.6%	18.7%	27.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Employment Continuity Among the Sample – All Sample Members Continuously Off TANF

- Exhibit III-8 presents data on employment continuity for all persons in the sample (including survey non-respondents) who were continuously off TANF during the 10-quarter tracking period, as measured by TANF administrative data.
- The data show that 28 percent of the sample members had UI earnings in all 10 quarters, and that 46 percent had earnings in 8 or more quarters.
- Of the persons who left welfare due to earnings, 42 percent had earnings in all 10 quarters, compared to only 12 percent of sanctioned leavers, 16 percent of the time-limited leavers, and 19 percent of the other leavers.
- Almost 19 percent of the sample members had earnings in no quarters, including 26 percent of sanctioned leavers, and 32 percent of “other” leavers.

**EXHIBIT III-8
NUMBER OF QUARTERS WITH REPORTED UI EARNINGS – ALL
SAMPLE MEMBERS WHO WERE CONTINUOUSLY OFF TANF, BY
REASON FOR LEAVING WELFARE**

Number of Quarters Employed	Earned Income	Sanctions	Time Limit	Other	Total
N	228	188	352	233	935
0 quarters	11.7%	25.8%	11.8%	31.9%	18.6%
1 quarter	3.0%	10.1%	9.0%	6.7%	5.9%
2 quarters	4.1%	8.1%	6.1%	4.2%	5.1%
3 quarters	3.0%	6.4%	5.2%	3.5%	4.0%
4 quarters	2.5%	5.5%	5.5%	4.6%	3.9%
5 quarters	5.9%	6.8%	6.9%	5.1%	6.0%
6 quarters	2.5%	4.8%	9.5%	5.4%	4.6%
7 quarters	5.0%	6.8%	8.4%	4.7%	5.8%
8 quarters	7.5%	9.0%	9.5%	7.1%	8.0%
9 quarters	12.4%	4.4%	12.6%	7.4%	10.0%
10 quarters	42.3%	12.5%	15.6%	19.4%	28.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

F. TYPES OF JOBS HELD BY RESPONDENTS WHO WERE STILL OFF WELFARE

Types of Occupations

- Exhibit III-9 indicates that 15 percent of the employed respondents who were still off welfare at Round 3 were working as restaurant workers. This was largely unchanged from 16 percent at Round 2 and 14.5 percent at Round 1.

- The next most common occupation at Round 3 was office/clerical at about 14 percent. This was largely unchanged from 15 percent at Round 1 and Round 2.
- Retail/sales/stores accounted for 13.5 percent of the jobs at Round 3 – about the same as the 13.7 percent at Round 2.
- Housekeeper/janitor accounted for 12.1 percent of the jobs, down slightly from 13.6 percent at Round 2. The percentage of respondents working as housekeepers and janitors was largely unchanged between Round 1 and Round 2.
- Assembly/production and related occupations accounted for 12 percent of the jobs, down slightly from 13 percent at Round 2. Health care jobs accounted for 13 percent of the jobs at Round 3, up from 10.4 percent at Round 2.
- Persons who left welfare due to earned income or “other” reasons were much more likely than the other respondents to be working in office/clerical jobs.
- Sanctioned and time-limited leavers were more likely than other respondents to be working in retail/sales, restaurant work, and housekeeper positions. These jobs may be less desirable than office/clerical jobs in terms of pay, hours, benefits, and work schedules. The percentage working in retail/sales, restaurants, or housekeeper positions was as follows:
 - Earned income: 39.1 percent;
 - Sanctioned: 50.6 percent;
 - Time limited: 44.0 percent; and
 - Other: 36.0 percent.

EXHIBIT III-9
TYPES OF JOBS HELD BY CURRENTLY EMPLOYED RESPONDENTS,
BY REASON FOR LEAVING WELFARE, ROUND 3

Type of Job	Earned Income	Sanctions	Time Limits	Other	Total
Office/clerical	18.1%	4.9%	10.4%	11.5%	13.9%
Assembly/production/machinist	11.2%	10.6%	10.9%	15.3%	11.9%
Retail/sales/stores	13.0%	17.6%	9.4%	13.6%	13.5%
Restaurant work	14.9%	18.8%	17.2%	12.2%	15.2%
Housekeeper/janitor	11.2%	14.2%	17.4%	10.2%	12.1%
Health care	13.3%	13.1%	16.9%	10.8%	13.2%
Other services	9.1%	15.5%	8.7%	12.9%	10.8%
Other	9.2%	5.3%	9.0%	13.6%	9.4%

Types of Employers

- Exhibit III-10 shows that 15 percent of all employed respondents at Round 3 were working in restaurants. This was a decline from 9 percent at Round 2 and 18.5 percent at Round 1.
- The percentage of employed respondents who were working for manufacturers declined from 18.9 percent at Round 1 to 13.7 percent at Round 2, but increased to 15.1 percent at Round 3.
- The percentage working for a hospital/health care facility increased from 11.2 percent at Round 1 to 13.8 percent at Round 2 and to 17.6 percent at Round 3.
- The percentage working for professional services firms increased from 9 percent at Round 1 to 12.8 percent at Round 2, but dropped back to less than 9 percent at Round 3.
- Respondents who had left due to earned income were much more likely to be working for professional services firms and manufacturers than sanctioned respondents. These jobs are likely to be more desirable in terms of pay and benefits.

EXHIBIT III-10 TYPES OF EMPLOYERS FOR WHOM RESPONDENTS WERE WORKING, BY REASON FOR LEAVING WELFARE

Type of Employer	Earned Income	Sanctions	Time Limits	Other	Total
Restaurant	14.3%	19.2%	16.5%	12.9%	15.0%
Hospital/health care facility	17.5%	17.2%	22.7%	15.6%	17.6%
Factory/manufacturer	16.7%	10.6%	12.3%	15.6%	15.1%
Professional services	11.0%	2.9%	6.7%	7.5%	8.6%
Stores/retail	13.8%	15.9%	9.2%	15.9%	14.1%
Hotel/motel	6.0%	8.5%	12.8%	6.8%	7.2%
Government agency	8.6%	1.2%	5.5%	5.4%	6.5%
School/college	5.2%	8.6%	6.1%	9.5%	6.7%
Self-employed/work from home	0.8%	2.9%	2.0%	6.1%	2.3%
Other	6.0%	13.1%	6.1%	4.7%	6.9%

G. WORK HOURS AND NON-TRADITIONAL SCHEDULES AMONG RESPONDENTS WHO WERE STILL OFF WELFARE

Hours Worked Per Week

- Exhibit III-11 shows that among those employed at follow-up, mean work hours were slightly lower in Round 2 (35.1) than in Round 1 (35.8) and were about the same in Round 3 (35.2) as in Round 2.
- The percentage working 40 or more hours per week declined slightly from 55.4 percent at Round 1 to 54.5 percent at Round 3.
- The percentage working 30 or more hours per week declined from 81.4 percent at Round 1 to 79.7 percent at Round 2, and then increased again very slightly to 80.7 percent at Round 3.
- Despite the decline, the large majority of employed respondents were working 30 or more hours per week at Round 3.
- Among employed respondents who had left welfare due to sanctions, the percentage who were working 40 or more hours per week increased from 42 percent at Round 1 to 44 percent at Round 3, but was still much lower than the percentage for persons who left due to earnings.
- The percentage of employed time-limited leavers who were working 40+ hours per week was also lower than the percentages for the earned income leavers and the “other” leavers.

**EXHIBIT III-11
TOTAL HOURS WORKED PER WEEK BY EMPLOYED RESPONDENTS,
BY REASON FOR LEAVING WELFARE**

Round 1					
Hours Per Week	Earned Income	Sanctions	Time Limits	Other	Total
40+	56.7%	42.0%	50.0%	61.6%	55.4%
30-39	24.7%	38.6%	26.3%	25.4%	26.0%
20-29	15.2%	12.5%	12.8%	8.2%	13.5%
1-19	3.4%	6.9%	10.9%	4.8%	5.0%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Mean hours	35.8	33.9	33.5	37.6	35.8
Round 2					
Hours Per Week	Earned Income	Sanctions	Time Limits	Other	Total
40+	58.8%	46.5%	49.7%	50.0%	54.0%
30-39	20.3%	31.4%	30.6%	32.1%	25.7%
20-29	15.7%	17.0%	15.5%	12.2%	15.1%
1-19	5.2%	5.2%	4.2%	5.7%	5.2%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Mean hours	35.3	34.4	34.7	35.4	35.1
Round 3					
Hours Per Week	Earned Income	Sanctions	Time Limits	Other	Total
40+	56.7%	44.1%	46.3%	61.0%	54.5%
30-39	27.4%	23.3%	22.8%	27.1%	26.2%
20-29	12.5%	25.2%	22.0%	6.8%	14.4%
1-19	3.4%	7.4%	8.9%	5.1%	4.9%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Mean hours	36.0	32.5	32.7	36.3	35.2

Hours Worked per Week, by Education

- Exhibit III-12 indicates that, among employed respondents at Round 3, persons who had attended college (60 percent) were more likely than other respondents to be working 40 or more hours per week. This was also the case at Round 2
- At Round 3, almost 86 percent of the employed respondents who had attended college were working 30 or more hours per week, largely unchanged from 85 percent at Round 1.
- For persons who had completed high school only, the percentage working 30 or more hours per week was unchanged at about 80 percent.
- For high school drop-outs, the percentage working 30 or more hours per week was the same at Round 3 as at Round 1 – about 79 percent.

EXHIBIT III-12
TOTAL HOURS WORKED PER WEEK, BY EDUCATION, ROUND 3

Hours Per Week	Did Not Complete High School or GED	Completed High School or GED Only	Attended College
40+	51.7%	53.8%	60.4%
30-39	27.2%	25.9%	25.5%
20-29	17.1%	12.9%	13.3%
1-19	4.0%	7.5%	0.8%
TOTAL	100.0%	100.0%	100.0%
Mean hours	35.0	34.1	37.9

Hours Worked per Week by Ethnicity

- In general, work hours among employed respondents did not vary by ethnicity. At Round 3, about 55 percent of employed blacks were working 40 or more hours per week, compared to 54 percent of employed whites. In combination, 80 percent of employed blacks were working 30 or more hours per week, compared to 81 percent of employed whites. The percentage of employed blacks working 30 or more hours per week declined from 83 percent at Round 1 to 80 percent at Round 2. For whites, the percentage increased from 77 percent to 81 percent.

Non-Traditional Work Hours

- As indicated in Exhibit III-13, about 22 percent of all employed respondents at Round 3 were working at least part of their workday outside of normal business hours (defined as 6 a.m. to 6 p.m.). This was a slight decline from Round 1 and Round 2.
- At Round 3, employed respondents who had left welfare due to time limits were the most likely to be working outside of the normal business day (31 percent).

**EXHIBIT III-13
PERCENT OF EMPLOYED RESPONDENTS WHO WORKING
TRADITIONAL AND NON-TRADITIONAL WORK HOURS,
BY REASON LEFT WELFARE**

Round 1					
Work Hours	Earned Income	Sanctions	Time Limits	Other	Total
Work regular hours	77.2%	71.0%	75.1%	66.3%	75.5%
Usually begin before 6 a.m.	6.4%	5.2%	4.8%	11.1%	6.4%
Usually end after 6 p.m.	17.0%	23.8%	20.1%	22.6%	18.4%
Usually begin before 6 a.m. or end after 6 p.m.	22.8%	29.0%	24.9%	33.7%	24.5%
Round 2					
Work Hours	Earned Income	Sanctions	Time Limits	Other	Total
Worked regular hours	78.2%	71.3%	72.5%	77.0%	76.3%
Usually begin before 6 a.m.	5.7%	3.8%	3.5%	8.3%	5.7%
Usually end after 6 p.m.	17.9%	24.7%	24.0%	16.3%	19.3%
Usually begin before 6 a.m. or end after 6 p.m.	21.8%	28.7%	27.5%	23.0%	23.7%
Round 3					
Work Hours	Earned Income	Sanctions	Time Limits	Other	Total
Work regular hours	80.7%	80.9%	68.8%	72.5%	77.9%
Usually begin before 6 a.m.	4.0%	2.1%	6.0%	10.4%	5.1%
Usually end after 6 p.m.	15.6%	16.9%	26.0%	17.9%	17.4%
Usually begin before 6 a.m. or end after 6 p.m.	19.3%	19.1%	31.2%	27.5%	22.1%

- As shown in Exhibit III-14, about 47 percent of the employed respondents at Round 3 always or usually worked on weekends. This was largely unchanged from Round 1.
- At Round 3, the percentage who always or usually worked weekends did not vary greatly by the reason for leaving welfare.

**EXHIBIT III-14
PERCENT OF EMPLOYED RESPONDENTS WHO WORKED
WEEKENDS, BY REASON LEFT WELFARE**

Round 1					
Weekend Hours	Earned Income	Sanctions	Time Limits	Other	Total
Work every weekend	22.2%	22.0%	16.6%	21.9%	21.6%
Work most weekends	25.8%	22.1%	29.6%	24.8%	25.5%
Occasionally work weekends	19.0%	16.0%	16.8%	21.0%	18.7%
Rarely work weekends	2.1%	3.0%	1.4%	0.6%	1.9%
Never work weekends	30.9%	36.8%	35.6%	31.7%	32.3%
TOTAL.	100.0%	100.0%	100.0%	100.0%	100.0%
Round 2					
Weekend Hours	Earned Income	Sanctions	Time Limits	Other	Total
Work every weekend	13.3%	12.7%	25.9%	20.8%	16.2%
Work most weekends	27.9%	33.7%	26.9%	22.3%	27.5%
Occasionally work weekends	19.5%	12.7%	13.1%	13.4%	16.5%
Rarely work weekends	1.6%	1.2%	2.3%	2.7%	1.8%
Never work weekends	37.6%	39.7%	31.8%	40.8%	38.0%
TOTAL.	100.0%	100.0%	100.0%	100.0%	100.0%
Round 3					
Weekend Hours	Earned Income	Sanctions	Time Limits	Other	Total
Work every weekend	20.7%	18.8%	21.0%	25.1%	21.3%
Work most weekends	26.9%	29.8%	30.9%	19.6%	26.3%
Occasionally work weekends	12.2%	15.5%	13.8%	8.5%	12.2%
Rarely work weekends	3.1%	1.2%	0.0%	2.0%	2.3%
Never work weekends	37.1%	34.6%	34.3%	44.7%	37.9%
TOTAL.	100.0%	100.0%	100.0%	100.0%	100.0%

Non-Traditional Hours, by Education

- As shown in Exhibit III-15, employed respondents who had attended college were much less likely to be working all or most weekends (39 percent) than employed high school drop-outs (59 percent).
- However, education did not have a clear impact upon the percentage who worked evenings or nights.

**EXHIBIT III-15
PERCENT OF EMPLOYED RESPONDENTS WHO WORKED
WEEKENDS, BY EDUCATION, ROUND 3**

Work Hours	Did Not Complete High School or GED	Completed High School or GED Only	Attended College
Usually begin before 6 a.m. or end after 6 p.m.	25.0%	18.7%	25.2%
Work every/most weekends	59.0%	49.6%	38.8%

H. EARNINGS AND HOURLY WAGE RATES AMONG RESPONDENTS WHO WERE STILL OFF WELFARE

Overall Earnings Among the Sample

- As shown in Exhibit III-16, median monthly earnings among employed respondents increased from \$1,020 in Round 1 to \$1,126 in Round 2, an increase of 10.4 percent. Median monthly earnings were largely unchanged at Round 3 at \$1,120.
- Mean earnings increased from \$1,075 per month at Round 1 to \$1,175 per month at Round 2, an increase of 9.3 percent. Mean earnings were largely unchanged at Round 3 at \$1,183 per month, representing an overall increase of 10.0 percent from Round 1.
- Between Round 1 and Round 3, the increase in mean earnings for each sample group was as follows:
 - earned income: 7.7 percent;
 - sanctions: 5.7 percent;
 - time limits: 3.9 percent; and
 - other: 10.1 percent.
- Mean earnings continued to be much higher among those who left due to earnings and those who left for “other” reasons.
- For example, at Round 3, employed persons who left due to earnings had mean earnings that were 18 percent higher than the mean earnings of those who had left due to time limits, and 16 percent higher than the earnings of those who had left due to sanctions.
- The results show that there was a considerable range of earnings among employed leavers. For example, about 22 percent of the employed respondents at Round 3 had monthly earnings of \$750 or less. This was largely unchanged from Round 1.

In contrast, almost 23 percent of the employed leavers had earnings of \$1,500 per month or more.

- The percentage of employed leavers with monthly earnings of \$1,000 or more increased from 54 percent at Round 1 to 60 percent at Round 2, and remained at 60 percent at Round 3.
- At Round 3, about 34 percent of employed sanctioned leavers had earnings of \$750 per month or less. The same was the case for 32 percent of employed time-limited leavers. In contrast, only 20 percent of the earned income leavers and 14 percent of the “other” leavers had earnings of \$750 per month or less.

**EXHIBIT III-16
MONTHLY EARNINGS AMONG EMPLOYED RESPONDENTS, BY
REASON FOR LEAVING WELFARE**

Round 1					
Monthly Earnings	Earned Income	Sanctions	Time Limits	Other	Total
\$1 - \$500	5.7%	6.9%	14.2%	9.6%	7.4%
\$501 - \$750	13.5%	18.6%	18.5%	11.6%	14.4%
\$751 - \$1,000	22.9%	26.8%	23.6%	27.2%	24.3%
\$1,001 - \$1,250	21.4%	23.8%	23.5%	21.9%	22.0%
\$1,251 - \$1,500	21.2%	16.9%	11.7%	10.6%	17.8%
\$1,500 +	15.3%	6.9%	8.5%	18.9%	14.2%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Mean	\$1,134.80	\$994.77	\$993.01	\$1,141.20	\$1,074.54
Median	\$1,082.50	\$984.48	\$952.60	\$1,035.09	\$1,020.49
Round 2					
Monthly Earnings	Earned Income	Sanctions	Time Limits	Other	Total
\$1 - \$500	6.1%	11.5%	12.1%	8.1%	8.0%
\$501 - \$750	10.5%	22.1%	15.3%	11.4%	13.0%
\$751 - \$1,000	16.8%	14.7%	25.6%	23.1%	18.7%
\$1,001 - \$1,250	25.3%	27.2%	22.8%	18.6%	23.9%
\$1,251 - \$1,500	22.1%	13.9%	10.9%	14.3%	18.0%
\$1,500 +	19.3%	10.7%	13.3%	24.4%	18.3%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Mean	\$1,221.26	\$1,033.20	\$1,031.59	\$1,239.53	\$1,174.59
Median	\$1,212.40	\$1,039.20	\$961.26	\$1,082.50	\$1,125.80
Round 3					
Monthly Earnings	Earned Income	Sanctions	Time Limits	Other	Total
\$1 - \$500	7.8%	15.9%	11.6%	8.4%	9.6%
\$501 - \$750	11.8%	18.0%	20.3%	6.0%	12.5%
\$751 - \$1,000	16.8%	11.3%	22.2%	22.8%	17.7%
\$1,001 - \$1,250	22.2%	21.7%	15.8%	25.6%	22.1%
\$1,251 - \$1,500	15.8%	17.1%	15.2%	12.6%	15.3%
\$1,500 +	25.7%	15.9%	14.9%	24.6%	22.8%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Mean	\$1,222.46	\$1,052.48	\$1,031.75	\$1,256.39	\$1,182.84
Median	\$1,208.63	\$1,064.46	\$952.60	\$1,098.74	\$1,119.69

Monthly Earnings by Education

- Exhibit III-17 indicates that average monthly earnings among employed respondents continued to be much higher among persons who had attended college (\$1,424) than those who had not completed high school (\$1,067) and those who had completed high school only (\$1,159). The difference between the drop-outs and the persons who had attended college was 33.5 percent.

- Among persons who had attended college, average earnings increased from \$1,212 in Round 1 to \$1,453 in Round 2, an increase of almost 20 percent, but declined slightly to \$1,424 at Round 3. Between Round 1 and Round 3, the increase was 17.5 percent.
- Among high school drop-outs, average earnings increased by only 5.3 percent between Round 1 and Round 2 (from \$1,008 to \$1,061). There was only a slight further increase at Round 3 to \$1,067. Between Round 1 and Round 3, the increase was 5.9 percent.
- Among respondents who had completed high school but had not attended college, average earnings increased from \$1,093 at Round 1 to \$1,159 at Round 3, an increase of 6.6 percent. Most of the increase occurred between Round 1 and Round 2 (4.7 percent).
- At Round 3, about 73 percent of employed persons who had attended college were earning more than \$1,000 per month, compared to 71 percent at Round 1.
- At Round 3, about 56 percent of employed persons who had not completed high school were earning more than \$1,000 per month, compared to 53 percent at Round 1.
- At Round 3, about 57 percent of employed persons who had completed high school only were earning more than \$1,000 per month, compared to 55 percent at Round 1.

EXHIBIT III-17 MONTHLY EARNINGS AMONG EMPLOYED RESPONDENTS, BY EDUCATION, ROUND 3

Monthly Earnings	Did Not Complete High School or GED	Complete High School or GED Only	Attended College
\$1 - \$500	11.6%	11.5%	2.0%
\$501 - \$750	13.5%	12.3%	11.4%
\$751 - \$1,000	18.5%	19.0%	13.4%
\$1,001 - \$1,250	29.2%	19.7%	16.0%
\$1,251 - \$1,500	7.6%	18.5%	20.7%
\$1,500 +	19.7%	19.1%	36.4%
TOTAL	100.0%	100.0%	100.0%
Mean	\$1,066.67	\$1,158.52	\$1,424.46
Median	\$1,080.32	\$1,082.50	\$1,339.70

Monthly Earnings by Ethnicity

- Exhibit III-18 shows that at Round 3, employed whites had higher average monthly earnings (\$1,323) than employed blacks (\$1,140). However, there was less difference in median earnings, suggesting that the average earnings were skewed by a small number of whites with very high earnings.
- Average earnings for whites increased from \$1,146 in Round 1 to \$1,323 in Round 3, an increase of 15.4 percent. For employed blacks, mean earnings increased from \$1,086 in Round 1 to \$1,140 in Round 2, an increase of 5 percent.
- At Round 2, almost 59 percent of employed blacks were earning more than \$1,000 per month, compared to 66 percent of employed whites.

**EXHIBIT III-18
MONTHLY EARNINGS AMONG EMPLOYED RESPONDENTS, BY
ETHNICITY, ROUND 3**

Monthly Earnings	Black	White
\$1 - \$500	8.7%	10.5%
\$501 - \$750	13.3%	10.4%
\$751 - \$1,000	19.3%	13.1%
\$1,001 - \$1,250	22.6%	21.1%
\$1,251 - \$1,500	15.7%	14.6%
\$1,500 +	20.4%	30.3%
TOTAL	100.0%	100.0%
Mean	\$1,140.48	\$1,323.15
Median	\$1,101.30	\$1,147.28

Hourly Wage Rates

- As indicated in Exhibit III-19, median hourly wages for employed respondents increased from \$6.50 in Round 1 to \$7 in Round 2, and remained at \$7 at Round 3. Between Round 1 and Round 3, median hourly wages increased for all of the four sub-groups based on the reason for leaving welfare.
- At Round 3, there was relatively little difference between the four sub-groups in median hourly wage rates.
- In Round 3, about 80 percent of employed respondents were working in jobs that paid \$6 per hour or more, compared to 79 percent at Round 2 and 63 percent in Round 1.

- In Round 3, about 57 percent of employed respondents were working in jobs that paid \$7 per hour or more, compared to 56 percent at Round 2 and 39 percent in Round 1.
- At Round 2, persons who had left welfare due to time limits were much more likely to be working in jobs that paid less than \$6 per hour (42 percent) than employed respondents who had left due to earnings (15 percent). At Round 3, the differences narrowed considerably.

EXHIBIT III-19
HOURLY WAGE RATES IN PRIMARY JOB, BY REASON FOR LEAVING WELFARE

Round 1					
Hourly Wages	Earned Income	Sanctions	Time Limits	Other	Total
Less than \$6.00	36.7%	46.7%	58.0%	40.4%	37.4%
\$6.00 - \$6.99	22.2%	28.0%	16.8%	29.6%	23.2%
\$7.00 - \$7.99	20.6%	10.8%	11.1%	13.2%	18.7%
\$8.00 - \$8.99	11.8%	7.5%	7.0%	6.9%	10.8%
\$9.00 - \$9.99	2.6%	4.6%	2.7%	4.2%	3.5%
\$10.00+	6.2%	2.4%	4.4%	5.8%	6.4%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
MEDIAN	\$6.75	\$6.25	\$6.00	\$6.32	\$6.50
Round 2					
Hourly Wages	Earned Income	Sanctions	Time Limits	Other	Total
Less than \$6.00	14.9%	27.0%	42.1%	20.1%	20.9%
\$6.00 - \$6.99	22.3%	23.4%	22.9%	25.6%	23.2%
\$7.00 - \$7.99	23.4%	25.4%	14.2%	17.2%	21.5%
\$8.00 - \$8.99	16.2%	13.5%	8.3%	13.0%	14.3%
\$9.00 - \$9.99	4.9%	5.3%	4.5%	5.2%	5.0%
\$10.00+	18.2%	5.3%	8.0%	18.8%	15.2%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
MEDIAN	\$7.25	\$6.90	\$6.00	\$7.10	\$7.00
Round 3					
Hourly Wages	Earned Income	Sanctions	Time Limits	Other	Total
Less than \$6.00	17.7%	23.0%	23.1%	22.1%	19.9%
\$6.00 - \$6.99	22.7%	21.7%	26.6%	22.8%	23.0%
\$7.00 - \$7.99	20.0%	23.9%	24.0%	19.7%	21.0%
\$8.00 - \$8.99	16.9%	16.3%	10.7%	11.9%	15.2%
\$9.00 - \$9.99	5.1%	2.9%	4.2%	3.5%	4.3%
\$10.00+	17.7%	12.2%	11.4%	20.0%	16.6%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
MEDIAN	\$7.10	\$7.00	\$6.95	\$7.00	\$7.00

Median Earnings by Occupation

- Exhibit III-20 shows the monthly earnings for occupations in which at least 2 percent of employed respondents were working.
- As indicated, median monthly earnings varied considerably by occupation at Round 3, reflecting the patterns observed in Round 1 and Round 2.
- Median monthly earnings were highest for office/clerical workers, assembly/production workers, and health care workers (all above \$1,200 per month).
- Earnings were lowest for restaurant workers and persons employed as housekeepers or janitors (below \$1,000 per month)

EXHIBIT III-20 MEDIAN MONTHLY EARNINGS BY PRIMARY OCCUPATION, ROUND 3

Type of Job	Monthly Earnings
Office/clerical	\$1,267
Assembly/production/machinist	\$1,386
Retail/sales/stores	\$1,061
Restaurant work	\$959
Housekeeper/janitor	\$911
Health care	\$1,212
Other services	\$1,056
Other	\$1,178

* Earnings from primary job only

Hourly Wage Rates by Occupation

- As indicated in Exhibit III-21, hourly wage rates at Round 3 also varied considerably by occupation.
- Median hourly wage rates were \$8 per hour for office/clerical workers and assembly/production workers.
- Median hourly wage rates were lowest for persons employed as housekeepers, restaurant workers, and retail sales workers (all \$6.50 per hour).

**EXHIBIT III-21
MEDIAN HOURLY WAGE IN PRIMARY JOB,
BY OCCUPATION, ROUND 3**

Type of Job	Hourly Wage
Office/clerical	\$8.00
Assembly/production/machinist	\$8.00
Retail/sales/stores	\$6.50
Restaurant work	\$6.50
Housekeeper/janitor	\$6.50
Health care	\$7.94
Other services	\$6.25
Other	\$7.49

I. RESPONDENTS STILL OFF WELFARE BUT NOT CURRENTLY WORKING

Reasons for Not Working

- As indicated in Exhibit III-22, unemployed respondents at Round 3 most often mentioned “can’t find a job” as the most important reason for not working (almost 23 percent – up from 19 percent at Round 2 and 13 percent at Round 1).
- The next most common reason at Round 3 was the respondent’s own physical or mental health problems (22.5 percent -- largely unchanged from 23 percent at Round 2 and Round 1).
- The third most common reason at Round 3 was “laid off from job” – 10 percent compared to almost 9 percent at Round 2.
- Transportation problems were cited by almost 10 percent of unemployed respondents, compared to 12 percent at Round 2 and 13 percent at Round 1.
- Almost 8 percent of Round 3 unemployed respondents mentioned child care as the most important reason for not working, compared to almost 7 percent of Round 2 respondents.
- At Round 3, as in Round 2, persons who had left welfare for “other” reasons were much more likely than other respondents to mention physical or mental illness as the reason for not working.
- Persons who had left welfare due to sanctions and time limits were much more likely than other respondents to mention transportation and child care as reasons for not working.

**EXHIBIT III-22
UNEMPLOYED RESPONDENTS – MOST IMPORTANT REASON NOT
WORKING NOW, BY REASON LEFT WELFARE, ROUND 3**

Most Important Reason Not Working	Earnings	Sanctions	Time Limits	Other	Total
Can't find job	24.6%	24.1%	24.1%	17.5%	22.8%
Physical/mental illness/injury (self)	19.8%	16.8%	21.4%	34.1%	22.5%
Laid off from job	13.9%	9.0%	6.8%	7.0%	10.1%
Have no transportation	5.4%	17.5%	13.5%	6.6%	9.8%
Lack child care	4.3%	11.3%	10.6%	7.4%	7.6%
In full/part time education	9.1%	1.2%	4.0%	3.1%	5.1%
Want to stay home with children	5.9%	3.5%	5.2%	3.5%	4.7%
Currently or recently pregnant	6.4%	2.7%	1.5%	3.5%	4.1%
Fired from job	4.8%	2.7%	2.2%	3.1%	3.5%
Physical/mental illness/injury (other)	1.0%	4.7%	2.2%	3.9%	2.7%
Quit job	0.0%	3.9%	2.5%	2.6%	1.9%
Don't have skills/experience	1.6%	0.8%	1.0%	1.3%	1.2%
Receive SSI, do not need to work	1.6%	0.0%	0.0%	2.6%	1.2%
Moved	1.6%	1.2%	0.0%	0.9%	1.1%
Couldn't get along with co-workers/boss	0.0%	0.0%	0.7%	1.7%	0.5%
Can't find job that pays enough	0.0%	0.8%	1.5%	0.0%	0.4%
Too old to work	0.0%	0.0%	0.0%	1.3%	0.3%
Other	0.0%	0.0%	2.5%	0.0%	0.4%

Work History of Unemployed Respondents

- As indicated in Exhibit III-23, about 54 percent of currently unemployed Round 3 respondents had worked for pay in the previous 12 months. This compares to almost 52 percent at Round 2 and 53 percent at Round 1.
- At Round 3, almost 65 percent of unemployed persons who had left welfare due to earnings had worked in the past 12 months, compared to only 47 percent of those who had left due to sanctions, 48 percent of those who had left due to time limits, and 48 percent of those who had left for “other” reasons.

**EXHIBIT III-23
UNEMPLOYED RESPONDENTS – PERCENT WHO HAD WORKED FOR
PAY IN THE PAST 12 MONTHS, BY REASON FOR
LEAVING WELFARE**

	Round 1	Round 2	Round 3
Earned income	59.6%	62.1%	64.8%
Sanctions	54.7%	48.3%	47.0%
Time limits	43.8%	51.0%	48.4%
Other	47.8%	36.8%	48.0%
Total	52.8%	51.6%	54.2%

Hours Worked in Most Recent Job

- Currently unemployed respondents who had worked in the past 12 months were asked how many hours per week they had worked in their most recent job.
- As indicated in Exhibit III-24, almost 59 percent of the respondents at Round 3 reported that they had been working 40 hours per week or more in their last job, compared to 64 percent at Round 2 and 56 percent at Round 1.

**EXHIBIT III-24
UNEMPLOYED RESPONDENTS WHO HAD WORKED IN THE PAST 12
MONTHS -- TOTAL HOURS WORKED PER WEEK IN LAST JOB**

Round 1					
Hours Per Week	Earned Income	Sanctions	Time Limits	Other	Total
40+	58.0%	51.9%	61.8%	56.1%	56.1%
30-39	23.7%	24.0%	19.6%	27.3%	24.1%
20-29	17.2%	11.2%	13.1%	14.4%	14.3%
1-19	1.0%	12.9%	5.5%	2.3%	5.5%
Total	100%	100%	100%	100%	100%
Round 2					
Hours Per Week	Earned Income	Sanctions	Time Limits	Other	Total
40+	80.9%	45.0%	55.7%	53.2%	63.9%
30-39	17.5%	24.4%	29.8%	26.6%	22.3%
20-29	1.6%	26.8%	9.3%	19.0%	11.9%
1-19	0.0%	3.8%	5.2%	1.3%	1.9%
Total	100%	100%	100%	100%	100%
Round 3					
Hours Per Week	Earned Income	Sanctions	Time Limits	Other	Total
40+	64.5%	53.7%	60.9%	48.2%	58.6%
30-39	16.5%	22.4%	26.1%	36.4%	23.0%
20-29	13.2%	15.7%	8.3%	12.7%	12.9%
1-19	5.8%	8.3%	4.6%	2.7%	5.5%
Total	100%	100%	100%	100%	100%

Non-Traditional Hours in Most Recent Job

- As shown in Exhibit III-25, about 28 percent of currently unemployed Round 3 respondents who had worked in the last 12 months had held jobs in which they had to start work before six in the morning or end work after six at night.
- This percentage is higher than the percentage for currently employed respondents (22 percent), as shown previously in Exhibit III-13.
- Exhibit III-26 shows that about 51 percent of currently unemployed Round 3 respondents who had worked in the last 12 months had always or usually worked weekends in their last job. This compares to about 48 percent of currently employed respondents, as shown above in Exhibit III-14.

**EXHIBIT III-25
UNEMPLOYED RESPONDENTS WHO HAD WORKED IN THE PAST 12
MONTHS – PERCENT WHO HAD WORKED OUTSIDE NORMAL
BUSINESS HOURS**

	Round 1				
Work Hours	Earned Income	Sanctions	Time Limits	Other	Total
Usually began before 6 a.m.	0.0%	6.9%	10.0%	6.1%	4.7%
Usually ended after 6 p.m.	14.0%	17.7%	16.3%	16.7%	16.0%
Usually began before 6 a.m. or ended after 6 p.m.	14.0%	24.6%	25.6%	22.7%	20.6%
	Round 2				
Work Hours	Earned Income	Sanctions	Time Limits	Other	Total
Usually began before 6 a.m.	2.5%	2.5%	1.8%	3.8%	2.6%
Usually ended after 6 p.m.	21.1%	19.1%	23.9%	37.5%	23.1%
Usually began before 6 a.m. or ended after 6 p.m.	23.7%	19.8%	25.7%	41.6%	25.3%
	Round 3				
Work Hours	Earned Income	Sanctions	Time Limits	Other	Total
Usually began before 6 a.m.	2.7%	0.8%	5.1%	7.3%	3.5%
Usually ended after 6 p.m.	28.3%	19.6%	23.4%	22.9%	24.7%
Usually began before 6 a.m. or ended after 6 p.m.	31.0%	20.4%	28.5%	30.3%	28.3%

**EXHIBIT III-26
UNEMPLOYED RESPONDENTS WHO HAD WORKED IN THE PAST 12
MONTHS – PERCENT WHO HAD WORKED WEEKENDS**

Round 1					
Weekend Hours	Earned Income	Sanctions	Time Limits	Other	Total
Work every weekend	24.7%	29.5%	19.6%	31.1%	27.0%
Work most weekends	26.8%	30.9%	27.4%	23.5%	27.4%
Occasionally work weekends	26.9%	7.5%	27.8%	9.1%	17.0%
Rarely work weekends	0.0%	2.1%	0.0%	0.7%	0.8%
Never work weekends	21.5%	30.0%	25.2%	35.6%	27.7%
TOTAL.	100.0%	100.0%	100.0%	100.0%	100.0%
Round 2					
Weekend Hours	Earned Income	Sanctions	Time Limits	Other	Total
Work every weekend	21.6%	30.5%	31.5%	27.8%	26.2%
Work most weekends	18.4%	22.5%	27.7%	32.9%	22.8%
Occasionally work weekends	16.6%	18.8%	11.1%	26.6%	17.8%
Rarely work weekends	2.5%	0.0%	0.7%	3.8%	1.8%
Never work weekends	40.9%	28.1%	29.1%	8.9%	31.4%
TOTAL.	100.0%	100.0%	100.0%	100.0%	100.0%
Round 3					
Weekend Hours	Earned Income	Sanctions	Time Limits	Other	Total
Work every weekend	23.5%	21.6%	22.2%	24.7%	23.2%
Work most weekends	27.9%	28.7%	33.5%	23.9%	27.9%
Occasionally work weekends	10.5%	13.4%	11.7%	7.9%	10.6%
Rarely work weekends	3.0%	1.1%	0.0%	3.0%	2.3%
Never work weekends	35.1%	35.2%	32.6%	40.5%	35.9%
TOTAL.	100.0%	100.0%	100.0%	100.0%	100.0%

Earnings and Wage Rates in Most Recent Job

- Exhibit III-27 shows that among unemployed respondents, earnings in the last job were highest for persons who had left welfare due to earnings and “other” reasons, and lowest for persons who had left welfare due to time limits and sanctions.
- Overall, average earnings in previous jobs increased between Round 1 and Round 2 but declined slightly in Round 3.

**EXHIBIT III-27
UNEMPLOYED RESPONDENTS WHO HAD WORKED IN THE PAST 12
MONTHS – MONTHLY EARNINGS IN LAST JOB**

Round 1					
Monthly Earnings	Earned Income	Sanctions	Time Limits	Other	Total
\$1 - \$500	7.8%	14.8%	12.9%	12.9%	11.7%
\$501 - \$750	15.5%	14.2%	13.7%	9.1%	13.4%
\$751 - \$1,000	35.6%	29.6%	40.3%	24.2%	31.7%
\$1,001 - \$1,250	22.2%	25.1%	19.4%	30.3%	24.6%
\$1,251 - \$1,500	11.1%	9.3%	9.9%	9.9%	10.1%
\$1,500 +	7.8%	7.1%	3.8%	13.7%	8.4%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Mean	\$1,035	\$932	\$911	\$1,054	\$993
Median	\$953	\$967	\$900	\$1,041	\$957
Round 2					
Monthly Earnings	Earned Income	Sanctions	Time Limits	Other	Total
\$1 - \$500	0.8%	13.2%	14.2%	1.3%	6.0%
\$501 - \$750	1.6%	20.2%	10.4%	11.4%	9.2%
\$751 - \$1,000	28.3%	25.0%	31.5%	27.8%	27.8%
\$1,001 - \$1,250	28.3%	15.7%	20.1%	27.8%	23.7%
\$1,251 - \$1,500	15.9%	22.1%	16.3%	12.7%	17.2%
\$1,500 +	25.0%	3.8%	7.6%	19.0%	16.1%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Mean	\$1,294	\$936	\$966	\$1,183	\$1,138
Median	\$1,192	\$937	\$979	\$1,065	\$1,082
Round 3					
Monthly Earnings	Earned Income	Sanctions	Time Limits	Other	Total
\$1 - \$500	8.3%	12.2%	7.4%	5.6%	8.4%
\$501 - \$750	10.7%	20.9%	12.9%	7.5%	12.4%
\$751 - \$1,000	29.0%	19.0%	32.3%	28.0%	27.4%
\$1,001 - \$1,250	19.0%	28.8%	25.9%	29.9%	24.0%
\$1,251 - \$1,500	24.8%	10.4%	14.1%	17.8%	19.0%
\$1,500 +	8.3%	8.7%	7.4%	11.2%	8.8%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Mean	\$1,052	\$971	\$993	\$1,089	\$1,034
Median	\$1,039	\$989	\$953	\$1,039	\$1,039

- As shown in Exhibit III-28, unemployed persons who had left due to time limits were more likely than other unemployed respondents to have been working in jobs that paid less than \$6 per hour.

**EXHIBIT III-28
UNEMPLOYED RESPONDENTS WHO HAD WORKED IN THE PAST 12
MONTHS – HOURLY WAGE RATE AT LAST JOB**

Round 1					
Hourly Wages	Earned Income	Sanctions	Time Limits	Other	Total
Less than \$6.00	54.5%	52.5%	71.7%	39.4%	52.7%
\$6.00 - \$6.99	25.4%	29.4%	14.9%	34.9%	27.4%
\$7.00 - \$7.99	10.0%	6.0%	9.7%	13.7%	9.6%
\$8.00 - \$8.99	6.7%	6.6%	1.9%	5.3%	5.8%
\$9.00 - \$9.99	0.0%	4.9%	0.0%	4.6%	2.6%
\$10.00+	3.3%	0.5%	1.9%	2.3%	2.1%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
MEDIAN	\$5.75	\$6.00	\$5.75	\$6.49	\$6.00
Round 2					
Hourly Wages	Earned Income	Sanctions	Time Limits	Other	Total
Less than \$6.00	23.3%	32.0%	45.7%	21.5%	28.4%
\$6.00 - \$6.99	20.8%	25.1%	27.0%	27.8%	23.8%
\$7.00 - \$7.99	30.9%	28.4%	17.3%	30.4%	28.3%
\$8.00 - \$8.99	10.9%	10.7%	5.2%	8.9%	9.8%
\$9.00 - \$9.99	3.3%	1.9%	3.1%	7.6%	3.5%
\$10.00+	10.9%	1.9%	1.7%	3.8%	6.2%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
MEDIAN	\$7.00	\$6.50	\$6.00	\$6.93	\$6.61
Round 3					
Hourly Wages	Earned Income	Sanctions	Time Limits	Other	Total
Less than \$6.00	19.9%	24.3%	36.6%	18.7%	23.1%
\$6.00 - \$6.99	32.2%	40.0%	35.1%	34.5%	34.6%
\$7.00 - \$7.99	27.2%	22.7%	10.5%	26.2%	23.5%
\$8.00 - \$8.99	15.7%	6.9%	12.0%	9.3%	12.2%
\$9.00 - \$9.99	2.5%	3.5%	1.5%	5.6%	3.1%
\$10.00+	2.5%	2.6%	4.3%	5.6%	3.4%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
MEDIAN	\$6.72	\$6.50	\$6.00	\$6.79	\$6.50

J. PRESENCE OF OTHER EMPLOYED ADULTS AMONG FAMILIES WHO WERE STILL OFF WELFARE

Presence of Other Adults in the Household

- Exhibit III-29 shows that 34.6 percent of the respondents who were still off welfare at Round 3 were living with at least one other adult – largely unchanged from Round 2 but a slight increase from 31.2 percent at Round 1.
- The percentage of respondents who were living with other adults was lowest at each round among those who had left welfare due to time limits.

- As shown in Exhibit III-30, 16.5 percent of all Round 3 respondents reported that they were living with a spouse or partner, a slight increase from 15.8 percent at Round 2 and 15.0 percent at Round 1.
- The percentage who were living with a spouse or partner was lowest among those who had left welfare due to time limits.
- Persons who left due to sanction showed the largest increase in the percentage living with a spouse or partner – from 9.7 percent at Round 1 to 14.7 percent at Round 2.

**EXHIBIT III-29
PERCENT OF RESPONDENTS LIVING WITH OTHER ADULTS, BY
REASON LEFT WELFARE**

	Round 1				
Number of Other Adults	Earned Income	Sanctions	Time Limits	Other	Total
None	68.2%	72.1%	77.9%	65.7%	68.8%
One or more	31.7%	28.0%	22.0%	34.3%	31.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 2				
Number of Other Adults	Earned Income	Sanctions	Time Limits	Other	Total
None	62.5%	68.1%	79.2%	60.8%	65.3%
One or more	37.5%	31.9%	20.8%	29.2%	34.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 3				
Number of Other Adults	Earned Income	Sanctions	Time Limits	Other	Total
None	68.3%	62.0%	75.5%	55.5%	65.4%
One or more	31.7%	38.0%	24.5%	44.5%	34.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

**EXHIBIT III-30
PERCENT OF RESPONDENTS LIVING WITH A SPOUSE OR PARTNER,
BY REASON LEFT WELFARE**

	Earned Income	Sanctions	Time Limits	Other	Total
Round 1	16.5%	9.7%	5.9%	21.6%	15.0%
Round 2	20.0%	11.1%	5.0%	17.2%	15.8%
Round 3	17.7%	14.7%	7.1%	21.6%	16.5%

Employment of Spouse/Partner

- Exhibit III-31 shows that 9.7 percent of all Round 3 respondents were living with an employed spouse or partner – unchanged from Round 2 but a slight increase from 9.0 percent at Round 1.
- At Round 3, only 4 percent of the respondents who had left welfare due to time limits were living with an employed spouse or partner.

**EXHIBIT III-31
PERCENT OF RESPONDENTS LIVING WITH
EMPLOYED SPOUSES/PARTNERS, BY REASON LEFT WELFARE**

	Round 1				
Status	Earned Income	Sanctions	Time Limits	Other	Total
Not living with spouse or partner	83.5%	90.3%	94.1%	78.4%	84.9%
Spouse/partner present and employed	9.8%	5.4%	3.3%	12.9%	9.0%
Spouse/partner present but not employed	6.6%	4.2%	2.7%	8.6%	6.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 2				
Status	Earned Income	Sanctions	Time Limits	Other	Total
Not living with spouse or partner	80.0%	88.9%	95.0%	82.8%	84.2%
Spouse/partner present and employed	11.5%	8.6%	3.6%	10.5%	9.7%
Spouse/partner present but not employed	8.5%	2.6%	1.4%	6.7%	6.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 3				
Status	Earned Income	Sanctions	Time Limits	Other	Total
Not living with spouse or partner	82.3%	85.3%	92.9%	78.4%	83.5%
Spouse/partner present and employed	10.5%	9.2%	4.1%	12.0%	9.7%
Spouse/partner present but not employed	7.2%	5.6%	2.9%	9.5%	6.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Percent of Respondents Employed or Living with an Employed Spouse/Partner

- Exhibit III-32 combines the data on the respondent's employment situation and the employment of the spouse/partner to highlight the respondent's overall situation.
- The data show that 64 percent of all Round 3 respondents were either employed or living with an employed spouse or partner – largely unchanged from Round 1 and Round 2.
- At Round 3, about 72 percent of those who had left welfare due to earnings were employed or living with an employed spouse, compared to only 54 percent of the persons who had left due to sanctions, and 49 percent of those who left due to time limits.

**EXHIBIT III-32
EMPLOYMENT STATUS OF RESPONDENTS AND
SPOUSES/PARTNERS, BY REASON LEFT WELFARE**

Round 1					
Status	Earned Income	Sanctions	Time Limits	Other	Total
Respondent currently employed*	74.9%	40.4%	50.2%	53.3%	60.7%
Respondent currently not employed, but living with employed spouse/partner	3.5%	2.8%	1.4%	7.3%	3.9%
Respondent currently not employed and not living with employed spouse/partner	21.6%	56.8%	48.4%	35.3%	35.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 2					
Status	Earned Income	Sanctions	Time Limits	Other	Total
Respondent currently employed*	66.5%	43.2%	53.2%	61.0%	58.9%
Respondent currently not employed, but living with employed spouse/partner	5.7%	4.1%	2.2%	5.4%	4.9%
Respondent currently not employed and not living with employed spouse/partner	27.8%	52.7%	44.6%	33.6%	36.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 3					
Status	Earned Income	Sanctions	Time Limits	Other	Total
Respondent currently employed*	67.2%	48.8%	46.6%	56.3%	58.8%
Respondent currently not employed, but living with employed spouse/partner	5.2%	5.4%	2.1%	7.4%	5.3%
Respondent currently not employed and not living with employed spouse/partner	27.6%	45.8%	51.3%	36.3%	35.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

* Some of the employed respondents were also living with employed spouses or partners

Percent of Respondents Employed or Living with an Employed Adult

- Exhibit III-33 combines the data on the respondent’s employment situation and the employment of any other adult in the household, including a spouse/partner or any unrelated adult.
- As indicated, about 67 percent of Round 3 respondents were either employed or living with an employed adult – largely unchanged from Round 1 and Round 2.

- At Round 3, almost 75 percent of those who had left welfare due to earnings were either employed or living with an employed adult, compared to only 48 percent of the respondents who had left welfare due to sanctions, and 55 percent of those who left due to time limits.

**EXHIBIT III-33
EMPLOYMENT STATUS OF RESPONDENTS AND OTHER ADULTS, BY
REASON LEFT WELFARE***

	Round 1				
Status	Earned Income	Sanctions	Time Limits	Other	Total
Respondent currently employed	74.9%	40.4%	50.2%	53.3%	60.7%
Respondent currently not employed, but living with employed adult	4.9%	7.7%	4.9%	9.5%	6.4%
Respondent currently not employed and not living with employed adult	20.2%	51.9%	44.9%	37.2%	32.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 2				
Status	Earned Income	Sanctions	Time Limits	Other	Total
Respondent currently employed	66.5%	43.2%	53.2%	61.0%	58.9%
Respondent currently not employed, but living with employed adult	8.9%	9.4%	5.3%	8.2%	8.4%
Respondent currently not employed and not living with employed adult	24.6%	47.3%	41.5%	30.9%	32.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 3				
Status	Earned Income	Sanctions	Time Limits	Other	Total
Respondent currently employed	67.2%	48.8%	46.6%	56.3%	58.8%
Respondent currently not employed, but living with employed adult	7.4%	13.9%	6.5%	11.5%	9.3%
Respondent currently not employed and not living with employed adult	25.4%	37.2%	46.9%	32.2%	31.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

* Adults include spouse or partner and any other adults

Work History of Unemployed Spouses and Partners

- As shown in Exhibit III-34, about 56 percent of the Round 3 respondents who reported that their spouse or partner was unemployed indicated that physical or mental illness of the spouse/partner was the reason for being unemployed.

**EXHIBIT III-34
RESPONDENTS LIVING WITH UNEMPLOYED SPOUSES/PARTNERS –
REASONS WHY THE SPOUSE/PARTNER WAS NOT WORKING,
ROUND 3**

Reason Not Working	TOTAL
Can't find job	5.9%
Don't have skills/experience	5.4%
Have no transportation	3.7%
In full/part time education	4.5%
Physical/mental illness/injury(self)	56.3%
Physical/mental illness/injury(other)	2.5%
Too old to work	7.1%
Want to stay home with children	11.6%
Laid off from job	9.4%
Fired from job	2.4%
Quit job	1.7%
Currently/recently pregnant	1.2%
Other	1.7%

Work Hours of Employed Spouses and Partners

- As shown in Exhibit III-35, about 82 percent of the Round 3 respondents who had an employed spouse or partner indicated that their spouse or partner was working 40 or more hours per week in all jobs combined.

**EXHIBIT III-35
RESPONDENTS WITH EMPLOYED SPOUSES OR PARTNERS –
TOTAL HOURS WORKED BY SPOUSE/PARTNER**

Hours Per Week	Round 1	Round 2	Round 3
40+	89.7%	87.7%	82.1%
30-39	2.6%	4.0%	10.3%
20-29	7.3%	4.7%	6.4%
1-19	0.4%	3.7%	1.2%
TOTAL	100.0%	100.0%	100.0%

Earnings of Employed Spouses and Partners

- As shown in Exhibit III-36, about 41 percent of the Round 3 respondents who had an employed spouse or partner indicated that their spouse or partner was earning \$1,500 or more per month. Adjusted for persons who would not report the person’s income, the percentage is 51 percent.
- Median monthly wages of employed spouses or partners increased from \$1,386 at Round 1 to \$1,559 at Round 2, an increase of 12.5 percent, but declined slightly to \$1,515 at Round 3.

**EXHIBIT III-36
RESPONDENTS WITH EMPLOYED SPOUSES OR PARTNERS –
TOTAL MONTHLY EARNINGS OF SPOUSE/PARTNER**

Monthly Earnings*	Round 1	Round 2	Round 3
\$1 - \$500	1.2%	0.0%	1.7%
\$501 - \$750	6.9%	3.7%	2.4%
\$751 - \$1,000	6.9%	4.5%	13.7%
\$1,001 - \$1,250	8.1%	6.4%	9.5%
\$1,251 - \$1,500	18.9%	14.5%	12.3%
\$1,500 +	40.7%	45.4%	41.3%
Not reported	17.3%	25.5%	19.1%
Total	100.0%	100.0%	100.0%
Median	\$1,3856	\$1,559	\$1,515

* All jobs combined

K. TOTAL HOUSEHOLD INCOME AMONG RESPONDENTS STILL OFF WELFARE

Total Household Income by Reason Left Welfare

- Respondents were asked “About how much money do you have 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?”
- As shown in Exhibit III-37, almost 10 percent of the respondents who were still off welfare at Round 2 reported that they had no income coming into the household, and another 15 percent reported income of less than \$500 per month, for a total of almost 25 percent. These percentages were about the same as at Round 1.
- At Round 3, the percentage reporting no income declined to 4.5 percent, and the overall percentage reporting income below \$500 declined to 14 percent.

- At Round 3, only 10 percent of the respondents who left welfare due to earnings reported income below \$500 per month, compared to almost 25 percent of those who left due to sanctions.
- However, the 25 percent figure for the sanctioned leavers was much lower than the percentage found at Round 2 – 43 percent.
- Among time-limited leavers, the percentage reporting income below \$500 per month declined from 40 percent at Round 1 to 35 percent at Round 2 and to 19 percent at Round 3.
- Adjusted for persons who did not provide information, the percentage of respondents who reported household income of \$1,000 or more increased from 32 percent at Round 1 to 40 percent at Round 2 and to 59 percent at Round 3.
- Of the Round 3 respondents who had left welfare due to earnings, 66 percent reported income of \$1,000 per month or more, compared to only 47 percent of those who left due to sanctions and 41 percent of those who left due to time limits.
- Average monthly income at each round was much lower for sanctioned leavers and time-limited leavers. However, these two groups saw major gains in average monthly income between Round 1 and Round 3.

**EXHIBIT III-37
TOTAL HOUSEHOLD INCOME, BY REASON LEFT WELFARE**

	Round 1				
Monthly Income	Earned Income	Sanctions	Time Limits	Other	Total
None	5.9%	15.7%	12.5%	5.1%	8.4%
\$1- \$499	8.6%	23.6%	28.2%	15.6%	15.3%
\$500 - \$999	26.0%	28.1%	29.8%	32.0%	28.1%
\$1,000 - \$1,499	32.9%	18.7%	18.8%	22.8%	26.4%
\$1,500 +	23.6%	7.7%	7.5%	20.5%	17.9%
Don't know/refused	2.9%	6.3%	3.2%	4.1%	3.8%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Average income	\$1,179	\$750	\$731	\$1,073	\$1,022
	Round 2				
Monthly Income	Earned Income	Sanctions	Time Limits	Other	Total
None	4.7%	18.8%	11.6%	10.7%	9.7%
\$1- \$499	10.9%	24.2%	23.7%	9.8%	15.0%
\$500 - \$999	20.5%	22.4%	28.7%	24.0%	22.6%
\$1,000 - \$1,499	35.1%	18.4%	20.6%	24.1%	27.6%
\$1,500 +	25.5%	9.2%	11.4%	24.7%	20.2%
Don't know/refused	3.3%	6.9%	4.1%	6.7%	4.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Average income	\$1,229	\$738	\$827	\$1,155	\$1,064
	Round 3				
Monthly Income	Earned Income	Sanctions	Time Limits	Other	Total
None	3.2%	6.6%	6.0%	4.6%	4.5%
\$1- \$499	6.8%	18.3%	13.3%	6.7%	9.8%
\$500 - \$999	23.3%	25.1%	37.1%	26.1%	26.0%
\$1,000 - \$1,499	37.6%	28.5%	25.2%	30.0%	32.7%
\$1,500 +	28.4%	16.2%	14.0%	29.7%	24.5%
Don't know/refused	0.7%	5.4%	4.4%	2.9%	2.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Average income	\$1,316	\$993	\$991	\$1,294	\$1,211

Total Household Income by Education

- As indicated in Exhibit III-38, household income continued to vary considerably by education. However, all three groups showed gains since Round 1.
- Of the Round 3 respondents who had not completed high school, 53 percent reported household income of \$1,000 or more (adjusted for the don't know and refused category) – an increase from 28 percent at Round 2 and 22 percent at Round 1.

- At Round 3, 58 percent of those who had completed high school only reported household income of \$1,000 per month or more, compared to 41 percent at Round 2 and 31 percent at Round 1.
- At Round 3, almost 75 percent of those who had attended college reported household income of \$1,000 per month or more, compared to 50 percent at Round 2 and 45 percent at Round 1

EXHIBIT III-38 TOTAL HOUSEHOLD INCOME, BY EDUCATION, ROUND 3

Monthly Income	Did Not Complete High School or GED	Completed High School or GED Only	Attended College
None	7.6%	3.1%	0.1%
\$1- \$499	11.7%	10.6%	3.1%
\$500 - \$999	26.4%	27.5%	21.2%
\$1,000 - \$1,499	32.0%	32.1%	35.8%
\$1,500 +	19.3%	25.0%	36.5%
Don't know/refused	3.0%	1.7%	3.3%
Total	100.0%	100.0%	100.0%

Total Household Income by Ethnicity

- As indicated in Exhibit III-39, total household income also continued to vary by ethnicity.
- At Round 2, almost 66 percent of white respondents reported total household income of \$1,000 per month or more, compared to 45 percent at Round 2 and 38 percent at Round 1.
- At Round 3, almost 56 percent of black respondents reported household income of \$1,000 per month or more, compared to 34 percent at Round 2 and 32 percent at Round 1.

EXHIBIT III-39
TOTAL HOUSEHOLD INCOME, BY ETHNICITY, ROUND 3

Monthly Income	Black	White
None	4.9%	3.3%
\$1- \$499	10.9%	7.0%
\$500 - \$999	27.2%	23.2%
\$1,000 - \$1,499	33.6%	29.6%
\$1,500 +	20.7%	34.7%
Don't know/refused	2.6%	2.3%
Total	100.0%	100.0%

Total Household Income by Type of Neighborhood

- Exhibit III-40 indicates that at Round 3, type of neighborhood had little impact upon household income.

EXHIBIT III-40
TOTAL FAMILY INCOME, BY TYPE OF NEIGHBORHOOD

Monthly Income	High Risk	Low Risk
None	4.6%	4.4%
\$1- \$499	9.9%	9.8%
\$500 - \$999	25.9%	26.0%
\$1,000 - \$1,499	33.8%	32.6%
\$1,500 +	25.0%	24.4%
Don't know/refused	0.8%	2.7%
TOTAL	100.0%	100.0%

Primary Sources of Household Income Among Families Still Off Welfare

- Respondents were asked to identify the primary sources of household income. The respondents could identify more than one source of income.
- Exhibit III-41 indicates that 76 percent of Round 3 respondents who reported having any household income listed their jobs as a primary source of income. This was a largely unchanged from Round 2 and a slight increase from 72 percent at Round 1
- Child support was mentioned by 32 percent of Round 3 respondents -- an increase from 30 percent at Round 2 and 26 percent at Round 1.

- Almost 20 percent of Round 3 respondents mentioned SSI or Social Security as a primary source of income, compared to 18 percent at Round 2 and 16 percent at Round 1.
- In all rounds, persons who left welfare due to time limits or sanctions were less likely than other respondents to cite earnings from a job as a primary source of income.
- At Round 3, almost 25 percent of the time-limited leavers mentioned SSI or SSDI as a source of income, compared to 16 percent at Round 2 and 15 percent at Round 1.
- At Round 3, about 38 percent of persons who left welfare due to time limits mentioned child support as a primary source of income, compared to only 25 percent of those who had left due to “other” reasons.
- Among persons who left welfare due to earnings, the percentage who mentioned child support as a source of income increased substantially from 19 percent at Round 1 to 30 percent at Round 2.
- In all three rounds, a relatively high percentage of persons who left for “other” reasons cited SSI as a primary source of income.

**EXHIBIT III-41
PRIMARY SOURCES OF FAMILY INCOME,
BY REASON LEFT WELFARE**

Round 1					
Primary Source	Earned Income	Sanctions	Time Limits	Other	Total
Earnings from a job	87.8%	62.9%	64.0%	70.6%	71.7%
Child support	19.2%	27.2%	34.4%	24.8%	26.4%
SSI or Social Security	10.9%	12.9%	15.5%	25.5%	16.0%
UI benefits	1.1%	1.4%	1.5%	0.8%	1.2%
Friends/family	0.4%	8.5%	4.7%	2.8%	3.9%
Utility assistance	0.7%	1.8%	2.7%	0.6%	1.5%
Other	0.0%	0.7%	0.5%	1.2%	0.6%
Round 2					
Primary Source	Earned Income	Sanctions	Time Limits	Other	Total
Earnings from a job	81.2%	65.3%	66.8%	75.9%	75.6%
Child support	30.5%	35.7%	34.6%	22.1%	30.3%
SSI or Social Security	16.9%	16.6%	15.9%	25.6%	18.5%
UI benefits	2.9%	1.0%	1.2%	2.7%	2.3%
Friends/family	1.5%	4.3%	4.1%	3.3%	2.7%
Utility assistance	0.0%	1.9%	1.2%	0.0%	0.5%
Other	0.8%	1.0%	0.5%	1.3%	0.9%
Round 3					
Primary Source	Earned Income	Sanctions	Time Limits	Other	Total
Earnings from a job	82.3%	66.0%	62.7%	77.6%	76.2%
Child support	34.4%	30.2%	38.3%	25.0%	32.2%
SSI or Social Security	15.1%	18.4%	24.8%	29.8%	19.9%
UI benefits	2.0%	3.7%	3.5%	0.9%	2.2%
Friends/family	2.8%	5.1%	2.6%	2.2%	3.0%
Utility assistance	0.0%	1.6%	0.0%	0.0%	0.3%
Retirement benefits	0.0%	0.8%	0.0%	0.7%	0.3%
Other	0.0%	0.0%	0.0%	0.9%	0.2%

Primary Sources of Household Income by Education

- As indicated in Exhibit III-42, about 83 percent of the Round 3 respondents who had attended college identified earnings from a job as a primary source of income. This compares to only 72 percent of those who had not completed high school.
- At Round 3, about 23 percent of high school drop-outs cited SSI as a primary source of income, compared to only 16 percent of persons who had attended college.

**EXHIBIT III-42
PRIMARY SOURCES OF FAMILY INCOME,
BY EDUCATION, ROUND 3**

Primary Source	Did Not Complete High School or GED	Completed High School or GED Only	Attended College
Earnings from a job	71.8%	77.3%	83.1%
Child support	31.3%	32.8%	32.9%
SSI or Social Security	23.1%	18.6%	16.4%
UI benefits	2.8%	2.6%	0.1%
Friends/family	3.6%	3.6%	0.5%
Help with Utilities	0.4%	0.3%	0.0%
Retirement benefits	0.4%	0.0%	0.8%
Other	0.5%	0.0%	0.0%

Primary Sources of Household Income by Ethnicity

- As indicated in Exhibit III-43, there was not a major difference between whites and blacks at Round 3 in primary sources of income.
- Almost 33 percent of blacks cited child support as a primary source of income, compared to slightly less than 30 percent of whites.
- The percentage of blacks who mentioned SSI or Social Security as a primary source of income increased from 17 percent at Round 2 to almost 20 percent at Round 3.

**EXHIBIT III-43
PRIMARY SOURCES OF FAMILY INCOME,
BY ETHNICITY, ROUND 3**

Primary Source	Black	White
Earnings from a job	75.0%	78.6%
Child support	33.4%	29.6%
SSI or Social Security	19.9%	19.9%
UI benefits	2.6%	1.4%
Friends/family	3.7%	1.3%
Help with Utilities	0.4%	0.0%
Retirement benefits	0.2%	0.5%
Other	0.2%	0.2%

Primary Sources of Household Income by Neighborhood Type

- Exhibit III-44 shows that Round 3 respondents living in low-risk neighborhoods were somewhat more likely than respondents in high-risk neighborhoods to mention SSI as a primary source of income.

**EXHIBIT III-44
PRIMARY SOURCES OF FAMILY INCOME,
BY NEIGHBORHOOD TYPE**

Primary Source	High Risk	Low Risk
Earnings from a job	76.3%	76.2%
Child support	32.4%	32.2%
SSI or Social Security	15.3%	20.4%
UI benefits	2.8%	2.2%
Friends/family	4.1%	2.9%
Help with utilities	0.0%	0.3%
Retirement benefits	0.0%	0.3%
Other	0.5%	0.2%

L. POVERTY ANALYSIS

- Based on the household income data shown previously, an analysis was conducted of poverty rates among the leavers. To calculate the poverty rates, we counted all members of the household as well as all household income. The federal poverty tables for 1999, 2000, and 2001 were used in the analysis.
- The results of the analysis are shown in Exhibit III-45. As indicated, 67.8 percent of the respondents at Round 1 were below the poverty level. This declined to 65.3 percent at Round 2 and to 61.7 percent at Round 3.
- The percent of leavers who were in “extreme poverty” – defined as below 50 percent of the poverty level – declined from 31 percent at Round 1 to 20 percent at Round 3.
- At Round 3, almost 81 percent of the time-limited leavers and 76 percent of the sanctioned leavers were below the poverty level. In contrast, only 52 percent of the earned income leavers and 59 percent of the “other” leavers were below the poverty level.
- About 32 percent of the sanctioned leavers were in extreme poverty at Round 3 – down from 46 percent at Round 1.

- About 33 percent of the time-limited leavers were in extreme poverty at Round 3 – down from 53 percent at Round 1.

**EXHIBIT III-45
POVERTY STATUS OF FAMILIES STILL OF WELFARE, BASED ON
TOTAL HOUSEHOLD INCOME (ADJUSTED BY REPORTED
EARNINGS) -- BY REASON LEFT WELFARE**

Round 1 (1999 Federal Poverty Guidelines)					
Percent of Poverty	Earned Income	Sanction	Time Limit	Other	Total
0 percent	6.3%	17.1%	13.1%	5.6%	9.1%
1-49 percent	13.9%	29.2%	39.8%	24.2%	22.1%
50-99 percent	38.4%	34.2%	35.4%	35.4%	36.6%
Percent below poverty	58.6%	80.5%	88.3%	65.2%	67.8%
100-129 percent	19.6%	10.5%	7.2%	16.4%	15.7%
130 percent or higher	21.8%	9.1%	4.7%	18.4%	16.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 2 (2000 Federal Poverty Guidelines)					
Percent of Poverty	Earned Income	Sanction	Time Limit	Other	Total
0 percent	4.8%	20.2%	12.2%	11.5%	10.2%
1-49 percent	14.2%	31.1%	33.7%	15.9%	20.4%
50-99 percent	37.7%	26.9%	38.5%	33.5%	34.7%
Percent below poverty	56.7%	78.2%	84.4%	60.9%	65.3%
100-129 percent	19.0%	10.1%	8.3%	16.2%	15.3%
130 percent or higher	24.3%	11.6%	7.3%	22.9%	19.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 3 (2001 Federal Poverty Guidelines)					
Percent of Poverty	Earned Income	Sanction	Time Limit	Other	Total
0 percent	3.2%	7.0%	6.3%	4.7%	4.6%
1-49 percent	11.6%	25.7%	26.4%	9.2%	15.6%
50-99 percent	37.6%	43.2%	48.0%	45.0%	41.5%
Percent below poverty	52.4%	75.9%	80.7%	58.9%	61.7%
100-129 percent	23.3%	11.6%	11.3%	17.1%	18.4%
130 percent or higher	24.2%	12.6%	8.0%	24.0%	20.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

M. EARNED INCOME TAX CREDIT

Knowledge of the EITC

- As indicated in Exhibit III-46, about 80 percent of Round 3 respondents reported that they had heard of the EITC.

- Awareness of the tax credit was highest among those who had left welfare due to earnings (84 percent), and lowest among those who had left due to sanctions (72 percent).

Use of the Tax Credit

- As shown in Exhibit III-47, almost 45 percent of the Round 3 respondents reported that they had used the tax credit.
- Only 30 percent of the persons who left welfare due to sanctions had used the tax credit, compared to 53 percent of those who had left due to earnings.
- As shown in Exhibit III-48, about 61 percent of the respondents who were employed at Round 3 had used the tax credit, compared to 19 percent of those who were not working.
- As shown in Exhibit III-49, almost 98 percent of the respondents who had used the tax credit reported that they received the credit in their annual tax filing, while less than two percent received it in each paycheck.

**EXHIBIT III-46
HAVE YOU HEARD OF THE EARNED INCOME TAX CREDIT? --
BY REASON LEFT WELFARE, ROUND 3**

Response	Earned Income	Sanctions	Time Limits	Other	Total
Yes	84.2%	71.9%	79.6%	79.6%	80.3%
No	15.8%	28.1%	20.4%	20.4%	19.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

**EXHIBIT III-47
HAVE YOU EVER USED THE EARNED INCOME TAX CREDIT?
-- BY REASON LEFT WELFARE, ROUND 3**

Response	Earned Income	Sanctions	Time Limits	Other	Total
Yes	52.7%	30.4%	35.6%	42.7%	44.7%
No	47.3%	69.6%	64.4%	57.3%	55.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

**EXHIBIT III-48
HAVE YOU EVER USED THE EARNED INCOME TAX CREDIT? –
BY CURRENT EMPLOYMENT STATUS, ROUND 3**

Response	Working	Not Working
Yes	60.6%	18.6%
No	39.4%	81.4%
Total	100.0%	100.0%

**EXHIBIT III-49
HOW DO YOU RECEIVE THE EARNED INCOME TAX CREDIT?
BY REASON LEFT WELFARE, ROUND 3**

Response	Earned Income	Sanctions	Time Limits	Other	Total
Each pay check	1.6%	0.9%	1.4%	3.4%	1.8%
End of the tax year	98.4%	99.1%	97.2%	94.9%	97.7%
Don't know/not sure	0.0%	0.0%	1.4%	1.7%	0.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

CHAPTER IV: INDICATORS OF FAMILY WELL-BEING AMONG FAMILIES WHO WERE STILL OFF WELFARE

This chapter presents findings from the surveys on various indicators of family well-being among those families who were still off welfare at the time of the surveys. *It should be noted that these families were not necessarily continuously off welfare for the entire follow-up period.*

Results are presented for the following key indicators:

- adverse events,
- food security,
- health care coverage, and
- comparisons to life on welfare.

A. CHAPTER SUMMARY AND ANALYSIS

One of the major concerns of policy makers is that families who leave welfare – especially those who leave for involuntary reasons such as time limits and sanctions -- may experience hardships in the absence of stable jobs that pay adequate wages. These hardships may include problems getting enough food, problems paying for housing, and difficulties paying for heat and other basic necessities. There is also concern that, in the more severe cases, families who leave welfare and do not find stable employment may end up being homeless or having to place their children with others. A related concern is that families who leave welfare may experience problems with health coverage and health access. This may occur, for example, if they do not continue to participate in Medicaid and are not covered by an employer health plan.

This chapter presents findings from the surveys on the extent to which families experienced hardships and problems with health care after leaving welfare. Data are presented for families who were still off welfare at the time of the surveys. At each round, these families were asked about hardships that they had experienced in the past 12 months.

Hardships Experienced by the Respondents

The surveys showed that there was little difference among the three rounds of surveys in the percentage of respondents reporting specific types of hardship. This indicates that there was little improvement or deterioration in the situations faced by welfare leavers during their second year off welfare.

The surveys show that, in both rounds of surveys, a relatively large percentage of the respondents experienced the more minor types of hardship. For example, 30 percent of the Round 3 respondents had fallen behind in their rent payments in the past year, and 48 percent had fallen behind in paying utility bills. However, relatively few of the respondents experienced the more severe types of hardship in either their first or second year off welfare. For example, 12 percent of the Round 3 respondents had gone without electricity at some time in the past year, 11 percent had gone without water, and 10 percent had gone without heat. Only 5 percent of the

Round 3 respondents reported that their children had been placed with someone else during the past year, and less than 2 percent had been in a homeless shelter.

Somewhat surprisingly, there was not a major difference among the four types of welfare leavers in the percentage who reported specific types of hardship in the past year. Persons who left welfare due to sanctions or time limits did not report significantly more hardships than other leavers, including both the minor and more severe types of hardship.

Also surprising is the fact that, in the Round 3 surveys, persons who were not working at the time of the surveys were only slightly more likely than employed respondents to have experienced minor or severe hardships in the past year.

Problems Paying for Food

At each round of surveys, about 20 percent of the respondents who were still off welfare reported that there had been times in the past year when they had skipped meals or cut the size of meals due to lack of money. This was an increase from about 13 percent for the period before they left welfare. However, the data indicate that food security among the leavers neither improved nor deteriorated between their first and second years off welfare.

Surprisingly, the persons who left welfare due to sanctions and time limits did not experience more problems buying food than the other leavers. In addition, at Round 3, there was little difference between employed respondents and unemployed respondents in the percentage who had problems paying for food.

Applying the USDA food security index, we found that about 11 percent of the Round 3 respondents could be classified as food insecure with hunger evident in the past 12 months, and that 21 percent were food insecure without hunger. These percentages were largely unchanged from Round 2. Sanctioned leavers and time-limited leavers at Round 3 were no more likely to report hunger than the other leavers. Whites (17 percent) were more likely to have been food insecure with hunger than blacks (9 percent).

Health Care Coverage and Access

About 8 percent of the Round 3 respondents reported that there had been times in the past year when someone in their home was sick or injured and could not get needed medical care. This was a decline from 10 percent in the earlier surveys, but represented an increase from 4 percent for the period when the respondents were still on welfare.

The percentage of leavers who reported problems with health care access at Round 3 was slightly higher among persons who were currently unemployed (11 percent) than among those currently working (6 percent). It was also higher among whites (16 percent) than blacks (5 percent). In general, however, the large majority of the leavers who were still off welfare had not experienced problems with health care access since leaving welfare.

About 94 percent of the Round 3 respondents reported that they or someone in their household had health coverage (including 86 percent who were covered by Medicaid). The

percentage of respondents with Medicaid coverage was lowest (75 percent) for persons who left welfare for “other” reasons. Many of the leavers in this category left welfare without notifying their caseworker of their circumstances. There is concern that some of these persons may be leaving welfare without being adequately informed about continuing benefits.

About 20 percent of the Round 3 respondents reported that they or someone in their household had private health care coverage – an increase from 9 percent at Round 1. This indicates that the leavers are making some progress in obtaining jobs with employer health care coverage. In addition, almost 24 percent of the persons who left welfare for “other” reasons said that they had private health care coverage, indicating that this group has been relatively successful in obtaining employer health coverage. However, the overall percentage of leavers covered by employer health plans at Round 3 was still relatively low.

Finally, only one percent of the Round 3 respondents reported that they had a child who did not have health care coverage.

Life Since Leaving Welfare

At Round 3, about 82 percent of the respondents disagreed with the statement that life was better on welfare. Even 79 percent of the sanctioned leavers and the time-limited leavers disagreed that life was better on welfare. Almost 82 percent of the Round 3 respondents agreed that they felt better about themselves than a year ago. However, almost 52 percent felt that they were “just barely making it from day to day.” Only 55 percent felt “pretty sure they would not need to go on welfare again.”

Respondents who were not working had a somewhat less positive view of life since leaving welfare. However, at Round 3, almost 70 percent of the unemployed respondents disagreed that life was better on welfare, and 43 percent were fairly sure that they would not need to go on welfare again.

Explaining the Findings

One factor to consider in interpreting the findings is that many of the welfare leavers continued to rely on public assistance. For example, as shown in Chapter VI of the report, about 62 percent of the leavers were still on Food Stamps at Round 3, including 68 percent of the sanctioned leavers and 84 percent of the time-limited leavers. In addition, 85 percent continued to participate in Medicaid, including 85 percent of the sanctioned leavers and 93 percent of the time-limited leavers. Some of the leavers also continued to have access to other income besides earnings. For example, at Round 3, 31 percent of the sanctioned leavers and 36 percent of the time-limited leavers reported getting child support.

In addition, some of the welfare leavers were getting help from family members and friends. At Round 3, about 24 percent of the sanctioned leavers and 20 percent of the time-limited leavers were getting gifts of money from family or friends on a regular basis. Almost 20 percent of the sanctioned leavers and 15 percent of the time-limited leavers were actually living rent-free with parents or other relatives. The percentage of respondents receiving support from family and friends was even higher among persons who were not working at the time of the

surveys. These findings indicate that many of the leavers were able to draw upon informal sources of support to address potential hardship situations.

The ability of welfare leavers to rely on family and other informal support networks may be especially significant in states such as South Carolina. As part of the overall study, MAXIMUS conducted in-depth case studies of 40 of the welfare leavers, including in-home interviews. These interviews revealed that many of the leavers were able to rely on family, friends, and other informal supports to help them get by. This situation may not necessarily hold true in states characterized by high rates of mobility and large urban populations.¹

A final factor to consider is that welfare benefits in South Carolina are relatively low compared to other states. The loss of welfare benefits in South Carolina, therefore, may have less of an impact upon welfare leavers than in high-benefit states.

B. ADVERSE EVENTS REPORTED BY RESPONDENTS STILL OFF WELFARE

- This section presents findings on negative or adverse events that happened to respondents while on welfare and after leaving to determine whether incidents of hardship had increased after leaving.
- Respondents who were still off welfare were asked whether specific adverse events had ever happened to them. If they indicated that an event had ever happened, they were then asked whether the event had occurred in the past 12 months, before the past 12 months, or in both time periods.
- For Round 1, the time period “in the past 12 months” was designed to correspond roughly to the time period since they left welfare.

Results for the Overall Sample

- Exhibit IV-1 shows the results for the overall sample of respondents who were still off welfare at the time of the surveys. For Round 1, the data show the percentage of respondents who reported whether specific events had happened to them in the last year and before the past year. For Round 2 and Round 3, the data show the percentage of respondents who had experienced specific events in the last 12 months. This is roughly the time period between the three rounds of surveys.
- The exhibit shows that there was little difference among the three rounds in the percentage who had experienced specific types of hardship in the past year.

¹ Case Studies of Welfare Leavers and Diverters in South Carolina, MAXIMUS, 2001

- Overall, this means that there had been little improvement or deterioration in the situations faced by welfare leavers in the sample during their second year off welfare.
- The findings indicate that a relatively large percentage of the leavers continued to experience the more minor types of hardship in their second year off welfare. For example, 30 percent of the Round 3 respondents had fallen behind in their rent payments in the past year, and 48 percent had fallen behind in paying utility bills.
- However, a relatively small percentage of the leavers experienced the more severe types of hardship in their second year off welfare. For example, 12 percent of the Round 3 respondents had gone without electricity at some time, 11 percent had gone without water, and 10 percent had gone without heat.
- About 5 percent of the Round 3 respondents reported that their children had to live with someone else during the past year (up from almost 4 percent at Round 2). Less than 2 percent had an occasion when they had to go to a homeless shelter.
- There was a slight decline between Round 1 and Round 3 in the percentage who had experienced occasions in the past year when someone in the home needed medical care but could not afford it – from 10 percent to 8 percent.

EXHIBIT IV-1 ADVERSE EVENTS THAT HAD HAPPENED TO RESPONDENTS

Adverse Event	Round 1		Round 2	Round 3
	Before Last Year	During Last Year	During Last Year	During Last Year
Got behind in paying for rent or other housing	25.2%	32.8%	34.3%	30.0%
Had to move because could not pay for housing	19.4%	12.1%	11.4%	11.4%
(Moved in last 12 months for other reasons)	N/A	25.7%	23.4%	24.5%
Got behind on a utility bill	26.1%	48.2%	47.3%	48.0%
Went without electricity	9.4%	11.4%	12.9%	12.5%
Went without heat	5.8%	8.7%	9.3%	9.6%
Had water cut off	5.0%	7.0%	7.6%	11.4%
Had to go to a homeless shelter	3.2%	1.8%	2.0%	1.5%
Had telephone cut off	23.0%	34.9%	34.6%	37.7%
Children had to live with someone else because could not afford to take care of them	4.5%	4.5%	3.8%	5.1%
Needed a regular babysitter or child care service but could not find it	13.4%	21.6%	20.9%	16.5%
Had a car or truck taken away because could not pay for it	9.7%	5.6%	7.6%	8.3%
Had a child who got in trouble with police	4.0%	4.8%	8.2%	6.2%
Needed a regular babysitter or child care service but could not pay for it	15.2%	24.3%	22.9%	23.2%
Had someone in your home who got sick or hurt when you could not get medical care	4.3%	10.2%	9.7%	8.1%

Adverse Events by Reason for Leaving Welfare

- Exhibit IV-2 shows the percentage of Round 3 respondents who reported adverse events in the past year, by the reason for leaving welfare.
- For most of the hardship indicators, there was not a major difference among the four strata.
- Persons who had left welfare due to sanctions or time limits were somewhat more likely to have had occasions when they went without electricity or heat.
- Respondents who left welfare due to sanctions or for “other” reasons were slightly more likely than other respondents to have experienced problems with access to health care in the past year.
- The percentage of respondents who had lived in a homeless shelter in the past 12 months was very low regardless of the reason for leaving welfare.

EXHIBIT IV-2

ADVERSE EVENTS THAT HAD HAPPENED TO RESPONDENTS IN THE PAST 12 MONTHS, BY REASON LEFT WELFARE, ROUND 3

Adverse Events	Earned Income	Sanction	Time Limit	Other
Got behind in paying for rent or other housing	28.6%	28.8%	27.4%	36.1%
Had to move because could not pay for housing	9.3%	12.7%	14.0%	13.7%
(Moved in last 12 months for other reasons)	23.3%	25.5%	25.3%	26.3%
Got behind on a utility bill	46.5%	51.6%	48.5%	48.1%
Went without electricity	10.0%	18.8%	15.3%	10.9%
Went without heat	7.5%	14.4%	11.9%	8.8%
Had water cut off	11.4%	12.9%	9.1%	11.5%
Had to go to a homeless shelter	1.1%	3.2%	1.2%	1.3%
Had telephone cut off	33.7%	43.4%	39.9%	40.7%
Children had to live with someone else because could not afford to take care of them	4.0%	6.4%	1.8%	8.6%
Needed a regular babysitter or child care service but could not find it	13.7%	16.9%	18.3%	21.6%
Had a car or truck taken away because could not pay for it	7.7%	7.7%	6.6%	11.3%
Had a child who got in trouble with police	4.7%	5.8%	7.2%	9.2%
Needed a regular babysitter or child care service but could not pay for it	25.3%	21.9%	23.0%	19.6%
Had someone in your home who got sick or hurt when you could not get medical care	7.5%	10.5%	4.7%	9.4%

Adverse Events by Type of Neighborhood

- Exhibit IV-3 shows the percentage of Round 3 respondents who reported adverse events in the past year, by type of neighborhood.
- As indicated, type of neighborhood continued to have little impact upon the percentage of respondents reporting adverse events in the past year.

EXHIBIT IV-3

ADVERSE EVENTS THAT HAD HAPPENED TO RESPONDENTS IN THE PAST 12 MONTHS, BY TYPE OF NEIGHBORHOOD, ROUND 3

Adverse Event	High Risk	Low Risk
Got behind in paying for rent or other housing	31.3%	29.9%
Had to move because could not pay for housing	16.4%	10.9%
(Moved in last 12 months for other reasons)	26.0%	24.4%
Got behind on a utility bill	48.7%	48.0%
Went without electricity	10.8%	12.7%
Went without heat	10.3%	9.6%
Had water cut off	7.2%	11.9%
Had to go to a homeless shelter	1.9%	1.5%
Had telephone cut off	36.8%	37.8%
Children had to live with someone else because could not afford to take care of them	5.1%	5.1%
Needed a regular babysitter or child care service but could not find it	19.4%	16.2%
Had a car or truck taken away because could not pay for it	12.6%	7.8%
Had a child who got in trouble with police	5.4%	6.2%
Needed a regular babysitter or child care service but could not pay for it	27.8%	22.7%
Had someone in your home who got sick or hurt when you could not get medical care	9.2%	8.0%

Adverse Events in the Past Year, by Employment Status

- Exhibit IV-4 shows the percentage of Round 3 respondents who reported adverse events in the past year, by current employment status.
- Non-working respondents were slightly more likely than working respondents to have experienced a variety of adverse events in the past 12 months, including getting behind in rent, having to move because of lack of money for housing, going without utilities, and having their telephone cut off.
- However, there was not a major difference between working and non-working respondents in the more severe types of hardship, such as homelessness.

- Non-working respondents were more likely than working respondents to report that there had been times when someone in their household had needed medical attention but could not get it.

EXHIBIT IV-4 ADVERSE EVENTS THAT HAD HAPPENED TO RESPONDENTS IN THE PAST 12 MONTHS, BY CURRENT EMPLOYMENT STATUS, ROUND 3

Adverse Event	Employment	
	Working	Not Working
Got behind in paying for rent or other housing	27.3%	33.8%
Had to move because could not pay for housing (Moved in last 12 months for other reasons)	9.4%	14.4%
Got behind on a utility bill	24.3%	25.0%
Went without electricity	47.4%	48.9%
Went without heat	9.1%	17.5%
Had water cut off	7.4%	12.8%
Had to go to a homeless shelter	9.8%	13.8%
Had telephone cut off	0.8%	2.6%
Children had to live with someone else because could not afford to take care of them	35.8%	40.5%
Needed a regular babysitter or child care service but could not find it	3.7%	7.0%
Had a car or truck taken away because could not pay for it	15.3%	18.2%
Had a child who got in trouble with police	6.6%	10.7%
Needed a regular babysitter or child care service but could not pay for it	5.9%	6.4%
Had someone in your home who got sick or hurt when you could not get medical care	21.6%	25.4%
	6.4%	10.6%

Adverse Events in the Past Year, by Ethnicity

- Exhibit IV-5 shows the percentage of Round 3 respondents who reported adverse events in the past year, by ethnicity.
- The data show that blacks were somewhat more likely than whites to have fallen behind in rent and in utility payments. However, there was not a major difference between blacks and whites in the percentage who had had their utilities cut off in the past year.
- Whites were much more likely than blacks to report that they had encountered problems paying for child care.
- Whites were three times as likely as blacks to report that, in the past year, someone in the household had needed medical care but could not get it.

**EXHIBIT IV-5
ADVERSE EVENTS THAT HAD HAPPENED TO RESPONDENTS IN THE
PAST 12 MONTHS, BY ETHNICITY, ROUND 3**

Adverse Event	Ethnicity	
	Black	White
Got behind in paying for rent or other housing	28.2%	35.3%
Had to move because could not pay for housing (Moved in last 12 months for other reasons)	11.0%	12.9%
Got behind on a utility bill	23.2%	29.2%
Went without electricity	45.4%	56.1%
Went without heat	13.2%	10.9%
Had water cut off	10.0%	7.9%
Had to go to a homeless shelter	11.6%	10.4%
Had telephone cut off	1.4%	2.0%
Children had to live with someone else because could not afford to take care of them	38.8%	35.7%
Needed a regular babysitter or child care service but could not find it	5.0%	5.6%
Had a car or truck taken away because could not pay for it	15.5%	18.4%
Had a child who got in trouble with police	7.0%	12.3%
Needed a regular babysitter or child care service but could not pay for it	6.3%	5.8%
Had someone in your home who got sick or hurt when you could not get medical care	19.6%	32.8%
	5.0%	16.5%

C. ACCESS TO FOOD AMONG RESPONDENTS STILL OFF WELFARE

- Respondents who were still off welfare were asked a series of questions about access to food in the past year. For Round 2 and Round 3, the questions included all of the six items from the short version of the USDA food security scale. For Round 1, only some of the items were included in the survey.

Cutting the Size of Meals or Skipping Meals, by Reason Left Welfare

- Exhibit IV-6 shows the percentage of respondents who reported that they or any family members had cut the size of meals or skipped meals because of lack of money to buy food.
- As shown in the exhibit, there was little difference among the three rounds of surveys in the percent of all respondents who reported that they had cut the size of meals or skipped meals in the past year. For the year prior to leaving welfare, 13.5 percent of the Round 1 respondents had reported that they had cut the size of meals or skipped meals due to lack of money.
- Overall, there was little difference between the four strata in the percent reporting problems on the Round 2 surveys. At Round 3, respondents who left welfare for “other” reasons were somewhat more likely than other respondents to report a problem.

**EXHIBIT IV-6
PERCENT WHO REPORTED THAT THEY OR THEIR FAMILY EVER
CUT THE SIZE OF MEALS OR SKIPPED MEALS IN THE PAST 12
MONTHS BECAUSE THERE WAS NOT ENOUGH MONEY
TO BUY FOOD**

Survey Round	Earned Income	Sanction	Time Limit	Other	Total
Round 1	20.2%	20.6%	15.1%	22.0%	20.0%
Round 2	19.6%	23.0%	18.0%	18.0%	19.8%
Round 3	19.8%	20.9%	18.2%	25.0%	20.9%

Cutting the Size of Meals or Skipping Meals, by Other Characteristics

- Exhibit IV-7 shows the percentage of respondents who reported that they or any family members had cut the size of meals or skipped meals in the past year, by selected characteristics.
- The data indicate that, in the Round 3 surveys, there was less of a difference between working and non-working respondents than in the Round 1 surveys and that employment status no longer had a major impact.
- At Round 3, about 25 percent of those persons who were not receiving Food Stamps reported a problem with food in the past year, compared to 18 percent of those currently receiving Food Stamps.
- At Round 3, about 25 percent of whites reported a problem in the past year, compared to only 19 percent of blacks.
- At Round 2 and Round 3, persons who had attended college were much more likely than other respondents to report having had a problem in the past year.

**EXHIBIT IV-7
PERCENTAGE REPORTING THAT THEY HAD CUT THE SIZE OF
MEALS OR SKIPPED MEALS IN THE PAST YEAR DUE TO LACK OF
MONEY, BY SELECTED CHARACTERISTICS**

Characteristics	Round 1	Round 2	Round 3
<i>Employment Status</i>			
Currently working	16.9%	18.8%	19.9%
Not working	24.9%	21.2%	22.2%
<i>Food Stamp Receipt</i>			
Currently receiving Food Stamps	19.8%	17.2%	18.0%
Not receiving Food Stamps	20.4%	23.0%	25.5%
<i>Education</i>			
Did not complete high school or GED	19.9%	17.0%	19.2%
Completed high school or GED only	19.1%	19.0%	18.1%
Attended college	22.8%	28.5%	32.5%
<i>Ethnicity</i>			
Black	17.4%	19.1%	19.5%
White	28.2%	22.3%	25.5%

Overall Food Security

- Exhibit IV-8 shows the scores of respondents on the six-item USDA food security index in the past year.
- As indicated, 31.6 percent of the Round 2 respondents and 32.5 percent of the Round 3 respondents could be classified as “food insecure” at some time in the past year, including about 21 percent who were food insecure without hunger, and 10-11 percent who were food insecure with hunger.
- At Round 2, persons who had left welfare due to time limits were less likely to have been food insecure with hunger in the past year. This was also true for Round 3 but there was relatively little difference among the four groups.

**EXHIBIT IV-8
FOOD SECURITY STATUS IN THE PAST YEAR, BY REASON FOR
LEAVING TANF**

	Round 2				
Food Security	Earned Income	Sanction	Time Limit	Other	Total
Food secure	68.2%	67.1%	70.6%	68.8%	68.4%
Food insecure with no hunger evident	22.8%	19.9%	22.3%	19.6%	21.4%
Food insecure with hunger evident	9.0%	13.0%	7.1%	11.6%	10.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 3				
Food Security	Earned Income	Sanction	Time Limit	Other	Total
Food secure	66.8%	68.5%	70.5%	66.2%	67.5%
Food insecure with no hunger evident	22.1%	20.5%	20.6%	20.4%	21.3%
Food insecure with hunger evident	11.1%	11.0%	8.9%	13.4%	11.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Overall Food Security by Gender

- Exhibit IV-9 indicates that, at Round 3, females were almost twice as likely as males to have been food insecure with hunger in the past year. This was also true at Round 2.

**EXHIBIT IV-9
FOOD SECURITY STATUS, BY GENDER, ROUND 3**

Food Security	Female	Male
Food secure	67.6%	65.9%
Food insecure with no hunger evident	21.0%	27.2%
Food insecure with hunger evident	11.4%	6.8%
Total	100.0%	100.0%

Overall Food Security by Ethnicity

- Exhibit IV-10 shows that, at Round 3, whites (16.8 percent) were much more likely than blacks (9.4 percent) to have been food insecure with hunger in the past year. This was also the case at Round 2.

**EXHIBIT IV-10
FOOD SECURITY STATUS, BY ETHNICITY, ROUND 3**

Food Security	Black	White
Food secure	70.1%	59.9%
Food insecure with no hunger evident	20.4%	23.3%
Food insecure with hunger evident	9.4%	16.8%
Total	100.0%	100.0%

Overall Food Security by Age

- As indicated in Exhibit IV-11, older respondents at Round 3 were much more likely to have been food insecure with hunger than younger respondents.

**EXHIBIT IV-11
FOOD SECURITY STATUS, BY AGE, ROUND 3**

Food Security	18-24	25-29	30-34	35-39	40+
Food secure	78.6%	70.0%	63.3%	62.9%	59.8%
Food insecure with no hunger evident	13.7%	20.7%	23.6%	24.7%	24.5%
Food insecure with hunger evident	7.7%	9.4%	13.1%	12.4%	15.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Overall Food Security by Education

- Exhibit IV-12 shows that, at Round 3, persons who had attended college were much more likely than less educated respondents to have been food insecure with hunger in the past year. This was also the case at Round 2.

**EXHIBIT IV-12
FOOD SECURITY STATUS, BY EDUCATION, ROUND 3**

Food Security	Did not Complete High School	Completed High School	Attended College
Food secure	66.5%	71.3%	60.0%
Food insecure with no hunger evident	23.3%	20.4%	18.5%
Food insecure with hunger evident	10.2%	8.3%	21.5%
Total	100.0%	100.0%	100.0%

Overall Food Security by Employment Status of Other Adults

- Exhibit IV-13 shows almost 39 percent of the Round 3 respondents who were not employed and not living with an employed adult had been food insecure at some time in the past year. This compares to 30 percent of employed persons and 28 percent of persons who were unemployed but living with an employed adult.
- However, current employment status did not have a major impact on the percent of respondents reporting food insecurity with hunger.

**EXHIBIT IV-13
FOOD SECURITY STATUS, BY EMPLOYMENT STATUS OF
RESPONDENT AND OTHER ADULTS**

Food Security	Respondent Employed	Respondent Not Employed, But Other Adult Employed	Respondent Not Employed, and No Other Adult Employed
Food secure	70.2%	71.6%	61.4%
Food insecure with no hunger evident	19.1%	16.1%	26.8%
Food insecure with hunger evident	10.7%	12.3%	11.8%
Total	100.0%	100.0%	100.0%

D. ACCESS TO HEALTH CARE AMONG RESPONDENTS STILL OFF WELFARE

Health Insurance Coverage

- Respondents were asked whether they, or the people who lived with them, had some type of health insurance coverage, including Medicaid.
- As shown in Exhibit IV-14, the percentage of respondents who answered “yes” to this question increased from 90 percent at Round 1 to 92 percent at Round 2 and to 94 percent at Round 3.
- At Round 3, those who had left welfare because of sanctions or for “other” reasons were somewhat less likely than other respondents to report that they or members of their household had some type of health insurance coverage.

EXHIBIT IV-14
DO YOU OR OTHER PEOPLE WHO LIVE WITH YOU HAVE SOME
KIND OF HEALTH INSURANCE, INCLUDING MEDICAID?

	Earned Income	Sanctions	Time Limits	Other	Total
Yes - Round 1	89.4%	89.3%	95.5%	84.4%	90.0%
Yes - Round 2	94.0%	91.6%	93.6%	86.7%	91.9%
Yes- Round 3	96.5%	90.2%	96.9%	89.7%	94.0%

Type of Health Coverage

- Respondents who reported that they or a household member had some type of health coverage were asked what type of coverage they had. (Respondents could report different types of health coverage for different household members).
- The percentage who reported that they did not have health coverage declined from 10 percent at Round 1 to 8 percent at Round 2 and 6 percent at Round 3.
- As indicated in Exhibit IV-15, the percentage who mentioned private health coverage increased from 9.5 percent at Round 1 to almost 17 percent at Round 2 and to 20 percent at Round 3.
- About 23-24 percent of the Round 3 respondents who had left welfare due to earnings or “other” reasons reported that a household member had private health coverage, compared to less than 8 percent of those who left due to time limits.
- A relatively high percentage of respondents continued to rely upon Medicaid – 86 percent at Round 3.
- However, only 75 percent of the respondents who left welfare for “other” reasons were on Medicaid at Round 3.
- In contrast, about 93 percent of the persons who had left welfare due to time limits reported that they had Medicaid coverage at Round 2.
- Respondents who left welfare due to sanctions or “other” reasons were somewhat more likely than other respondents to lack health insurance.

**EXHIBIT IV-15
TYPE OF MEDICAL COVERAGE REPORTED BY RESPONDENTS**

Round 1					
Response*	Earned Income	Sanctions	Time Limits	Other	Total
Medicaid	85.6%	85.3%	93.8%	71.1%	84.5%
Private insurance	10.7%	8.6%	3.0%	17.6%	9.5%
Medicare	1.4%	0.0%	2.9%	0.5%	0.7%
CHAMPUS	0.6%	0.2%	0.4%	0.0%	0.3%
None	10.6%	10.7%	4.5%	15.6%	10.0%
Round 2					
Response*	Earned Income	Sanctions	Time Limits	Other	Total
Medicaid	87.8%	86.3%	89.9%	68.9%	83.8%
Private insurance	16.9%	13.4%	8.0%	25.9%	16.9%
Medicare	1.0%	0.5%	0.6%	1.5%	0.9%
CHAMPUS	0.6%	0.0%	0.4%	0.5%	0.4%
None	6.0%	8.4%	6.4%	13.3%	8.1%
Round 3					
Response*	Earned Income	Sanctions	Time Limits	Other	Total
Medicaid	89.5%	84.9%	93.3%	75.2%	86.2%
Private insurance	23.0%	17.7%	7.6%	23.7%	20.2%
Medicare	2.6%	0.6%	1.2%	4.8%	2.5%
CHAMPUS	1.1%	0.0%	0.6%	0.0%	0.6%
None	3.5%	9.8%	3.1%	10.3%	6.0%

* Percentages apply to all respondents still off welfare

Private Health Coverage

- Respondents who reported that they or a household member had some type of private health coverage were asked who paid for the coverage.
- As shown in Exhibit IV-16, almost 51 percent of these respondents at Round 3 reported that they paid all or part of the costs of the health insurance coverage. This was an increase from 20 percent at Round 1 and 39 percent at Round 2. This may reflect an increased ability among leavers to pay for health care insurance or to contribute to employer health plans.

**EXHIBIT IV-16
IF COVERED BY PRIVATE INSURANCE, WHO PAYS FOR IT?**

	Round 1				
Response	Earned Income	Sanctions	Time Limits	Other	Total
Employer pays all or part of premium	73.5%	67.2%	86.1%	73.1%	73.3%
I pay for all or part of it myself	26.5%	20.4%	0.0%	14.4%	20.1%
Absent parent pays all or part	4.7%	8.1%	13.9%	18.3%	10.0%
Other	4.7%	6.2%	0.0%	2.9%	4.1%
	Round 2				
Response	Earned Income	Sanctions	Time Limits	Other	Total
Employer pays all or part of premium	75.2%	69.2%	57.7%	60.1%	68.5%
I pay for all or part of it myself	44.4%	37.2%	24.7%	35.0%	39.1%
Absent parent pays all or part	3.1%	9.0%	10.3%	6.3%	5.5%
Other	0.0%	5.1%	12.4%	6.3%	3.5%
	Round 3				
Response	Earned Income	Sanctions	Time Limits	Other	Total
Employer pays all or part of premium	47.2%	47.1%	40.6%	41.9%	45.6%
I pay for all or part of it myself	52.8%	47.2%	49.0%	48.4%	50.6%
Absent parent pays all or part	2.3%	6.8%	0.0%	4.8%	3.5%
Other	2.3%	0.0%	15.6%	9.7%	4.4%

Profile of Respondents Who Reported Problems with Health Care Access

- As shown previously in Exhibit IV-1, about 10 percent of all Round 1 and Round 2 respondents and 8 percent of Round 3 respondents reported that there had been times in the past year when someone in their home had been sick or hurt but could not get medical care.
- Exhibit IV-17 shows the percentage of respondents who reported this problem, by selected client characteristics.
- As indicated in the exhibit, persons not currently working were more likely to have had this problem than persons who were currently employed.
- At Round 3, whites were three times more likely than blacks to report having a problem.

- In all three rounds, older respondents were more likely to report a problem than younger respondents.

EXHIBIT IV-17
RESPONDENTS REPORTING OCCASIONS WHEN SOMEONE IN
THEIR HOME WAS SICK OR HURT IN THE PAST YEAR AND THEY
COULD NOT GET MEDICAL CARE – BY SELECTED
CHARACTERISTICS

Characteristics	Round 1	Round 2	Round 3
<i>Employment Status</i>			
Currently working	7.6%	7.3%	6.4%
Not working	14.2%	13.2%	10.6%
<i>Education</i>			
Did not complete high school or GED	13.7%	9.9%	9.7%
Completed high school or GED only	7.4%	9.6%	6.6%
Attended college	8.9%	9.7%	8.1%
<i>Ethnicity</i>			
Black	9.7%	8.0%	5.0%
White	11.7%	14.9%	16.5%
<i>Age</i>			
18-24	9.6%	5.5%	6.0%
25-29	5.0%	8.5%	7.6%
30-34	10.8%	10.4%	7.1%
35-39	16.5%	12.5%	8.7%
40+	12.1%	12.9%	11.1%

Health Coverage for Children

- Round 2 and Round 3 respondents who were still off welfare were asked if they had any children in the home who were not covered by health insurance.
- As shown in Exhibit IV-18, less than 3 percent of Round 2 respondents and only 1 percent of Round 3 respondents reported that they had a child who was not covered by health insurance.

**EXHIBIT IV-18
DO YOU HAVE CHILDREN NOT COVERED BY HEALTH INSURANCE,
BY REASON FOR LEAVING WELFARE**

Round 2					
Response	Earned Income	Sanction	Time Limit	Other	Total
Yes	2.4%	3.0%	4.9%	2.1%	2.8%
No	97.6%	97.0%	95.1%	97.9%	97.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 3					
Response	Earned Income	Sanction	Time Limit	Other	Total
Yes	0.4%	1.1%	2.1%	1.9%	1.0%
No	99.6%	98.9%	97.9%	98.1%	99.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

E. LIFE SINCE LEAVING WELFARE AMONG RESPONDENTS WHO WERE STILL OFF WELFARE

- Respondents were asked whether they agreed or disagreed with a series of statements reflecting the quality of their lives since leaving welfare.

Results for the Overall Sample

- As indicated in Exhibit IV-19, about 20 percent of all respondents at both Round 1 and Round 2 agreed with the statement that life was better on welfare. The percentage declined to less than 18 percent at Round 3.
- Persons who left welfare due to earned income were the least likely to agree that life was better on welfare.
- The percentage of time-limited leavers who thought that life was better on welfare declined from 30 percent at Round 1 to 21 percent at Round 3.
- The percent who agreed with the statement that they hardly ever worried about money any more stayed relatively stable across the three rounds at 31-34 percent. At Round 3, the percentage did not vary greatly among the four sub-groups.
- In all three rounds, about 62-63 percent of the respondents reported that they now had more money than when on welfare.
- The percent of respondents who agreed with the statement that they now bought little extras without worrying about every penny increased slightly from 56 percent to 60 percent.

- The percent of respondents who agreed with the statement that they were pretty sure they would not need to be on welfare again increased slightly from 53.5 at Round 1 to 57 percent at Round 2, but declined slightly to 55 percent at Round 3. The differences among the four strata narrowed at Round 2 and Round 3.
- The percent of respondents who agreed with the statement that they felt they were just barely making it from day to day was largely unchanged across the three rounds at 48-52 percent. At Round 3, there was little difference among the four sub-groups on this measure.
- At each round, the large majority of the respondents (more than 80 percent) agreed with the statement that they felt better about themselves than a year ago. There was little difference among the four sub-groups on this indicator.
- The percent of respondents who agreed with the statement that they worried more about their families now than a year ago increased slightly at Round 3 to 47 percent.
- Similarly, the percent of respondents who reported that they felt more stress now than a year ago increased slightly at Round 3 to 46 percent.

**EXHIBIT IV-19
VIEW OF LIFE AFTER WELFARE,
BY REASON FOR LEAVING WELFARE
(PERCENT AGREEING WITH STATEMENTS)**

Statement	Survey Round	Earned Income	Sanctions	Time Limits	Other	Total
Life was better when you were getting welfare	Round 1	15.4%	24.4%	30.0%	22.0%	20.2%
	Round 2	16.3%	23.0%	28.0%	19.2%	19.7%
	Round 3	13.3%	21.3%	20.6%	23.1%	17.8%
You hardly ever worry about money anymore	Round 1	38.3%	29.3%	28.6%	32.7%	34.1%
	Round 2	31.4%	29.4%	30.7%	33.9%	31.4%
	Round 3	35.4%	32.5%	30.8%	32.6%	33.7%
You have more money now than when on welfare	Round 1	69.6%	55.2%	46.9%	58.9%	61.7%
	Round 2	62.6%	59.5%	56.6%	66.8%	62.1%
	Round 3	68.4%	55.4%	57.9%	59.7%	62.8%
You buy little extras without worrying about every penny	Round 1	57.2%	52.4%	52.0%	57.4%	55.8%
	Round 2	59.9%	53.7%	61.2%	64.4%	59.7%
	Round 3	57.7%	56.6%	54.9%	56.3%	56.8%
You are pretty sure you will not need to be on welfare again	Round 1	56.6%	47.8%	45.7%	55.7%	53.5%
	Round 2	59.9%	54.6%	54.6%	56.3%	57.4%
	Round 3	58.2%	50.8%	54.9%	51.7%	55.1%
You feel you are just barely making it from day to day	Round 1	47.6%	47.1%	56.8%	46.5%	48.2%
	Round 2	47.4%	53.3%	49.2%	46.5%	48.7%
	Round 3	51.1%	54.0%	52.0%	51.3%	51.8%
You feel better about yourself than a year ago	Round 1	84.7%	81.3%	81.3%	82.2%	83.2%
	Round 2	84.2%	82.8%	84.0%	87.8%	84.6%
	Round 3	80.7%	82.7%	81.8%	83.0%	81.7%
You worry more about your family now than a year ago	Round 1	38.2%	46.0%	53.4%	46.4%	43.4%
	Round 2	44.2%	44.9%	43.6%	37.6%	42.9%
	Round 3	47.2%	51.0%	48.3%	44.3%	47.5%
You feel more stress now than you did a year ago	Round 1	39.2%	41.3%	46.5%	37.6%	40.0%
	Round 2	46.4%	40.9%	40.1%	36.3%	42.4%
	Round 3	46.7%	45.0%	44.1%	48.7%	46.5%

Life After Welfare, by Current Employment Status

- For the three rounds of surveys, Exhibit IV-20 compares working and non-working respondents in terms of whether they agreed or disagreed with the statements about their life since leaving welfare.
- As indicated in the exhibit, there remained considerable differences between working and non-working respondents in their responses to each of the statements.
- Despite these differences, a large percentage of those who were not currently working felt that their life was better than while on welfare.

- Also, the differences between working and non-working respondents were narrower at Round 1 than at Round 2.
- At Round 3, almost 70 percent of the non-working respondents disagreed with the statement that life was better when they were on welfare.
- At Round 3, 43 percent of the non-working respondents agreed that they would probably not need to be on welfare again. About 71 percent of the non-working respondents indicated that they felt better about themselves than a year ago.

EXHIBIT IV-20
VIEW OF LIFE AFTER WELFARE, BY EMPLOYMENT STATUS
(PERCENT AGREEING WITH STATEMENTS)

Statement	Survey Round	Working	Not Working
Life was better when you were getting welfare	Round 1	11.1%	34.5%
	Round 2	13.7%	28.3%
	Round 3	8.9%	30.4%
You hardly ever worry about money anymore	Round 1	39.0%	26.8%
	Round 2	36.4%	24.3%
	Round 3	41.1%	23.2%
You have more money now than when on welfare	Round 1	76.3%	39.5%
	Round 2	75.0%	43.6%
	Round 3	78.5%	40.3%
You buy little extras without worrying about every penny	Round 1	63.3%	43.9%
	Round 2	68.8%	46.6%
	Round 3	67.8%	41.1%
You are pretty sure you will not need to be on welfare again	Round 1	62.8%	38.9%
	Round 2	62.9%	49.4%
	Round 3	63.1%	43.5%
You feel you are just barely making it from day to day	Round 1	40.8%	60.1%
	Round 2	43.1%	56.7%
	Round 3	41.0%	67.3%
You feel better about yourself than a year ago	Round 1	91.6%	70.1%
	Round 2	91.9%	74.2%
	Round 3	89.1%	71.1%
You worry more about your family now than a year ago	Round 1	36.3%	54.0%
	Round 2	35.3%	53.7%
	Round 3	38.0%	61.0%
You feel more stress now than you did a year ago	Round 1	33.7%	50.1%
	Round 2	36.5%	50.9%
	Round 3	38.3%	58.1%

Life After Welfare, by Ethnicity

- Exhibit IV-21 compares blacks and whites in terms of whether they agreed or disagreed with the statements about their life since leaving welfare.
- The data show that, at Round 2 and Round 3, blacks had generally more favorable attitudes toward their situation than whites.

EXHIBIT IV-21 VIEW OF LIFE AFTER WELFARE, BY ETHNICITY (PERCENT AGREEING WITH STATEMENTS)

Statement	Survey Round	Black	White
Life was better when you were getting welfare	Round 1	20.1%	21.6%
	Round 2	17.7%	26.1%
	Round 3	16.4%	21.8%
You hardly ever worry about money anymore	Round 1	36.8%	27.7%
	Round 2	31.7%	31.2%
	Round 3	38.0%	22.0%
You have more money now than when on welfare	Round 1	63.2%	58.0%
	Round 2	63.7%	56.6%
	Round 3	64.5%	57.3%
You buy little extras without worrying about every penny	Round 1	59.0%	47.8%
	Round 2	63.9%	47.5%
	Round 3	61.6%	43.0%
You are pretty sure you will not need to be on welfare again	Round 1	51.4%	59.6%
	Round 2	57.4%	56.5%
	Round 3	56.7%	50.7%
You feel you are just barely making it from day to day	Round 1	49.3%	46.7%
	Round 2	46.7%	55.4%
	Round 3	49.8%	57.9%
You feel better about yourself than a year ago	Round 1	83.8%	81.7%
	Round 2	87.5%	76.1%
	Round 3	84.0%	74.6%
You worry more about your family now than a year ago	Round 1	44.0%	41.6%
	Round 2	41.2%	47.7%
	Round 3	46.9%	48.6%
You feel more stress now than you did a year ago	Round 1	40.1%	40.5%
	Round 2	42.6%	42.0%
	Round 3	43.8%	53.7%

Life After Welfare, by Education

- Exhibit IV-22 compares respondents by educational level in terms of whether they agreed or disagreed with the statements about their life since leaving welfare.
- In each round, respondents who had not completed high school generally reacted somewhat less positively to the different statements than more educated respondents.

EXHIBIT IV-22 VIEW OF LIFE AFTER WELFARE, BY EDUCATION (PERCENT AGREEING WITH STATEMENTS)

Statement	Survey Round	Did Not Complete High School or GED	Completed High School or GED Only	Attended College
Life was better when you were getting welfare	Round 1	26.4%	16.7%	15.2%
	Round 2	25.6%	16.0%	15.0%
	Round 3	22.7%	15.5%	11.4%
You hardly ever worry about money anymore	Round 1	35.7%	33.7%	32.1%
	Round 2	32.8%	32.2%	25.9%
	Round 3	37.2%	34.5%	22.7%
You have more money now than when on welfare	Round 1	53.3%	66.7%	69.2%
	Round 2	59.6%	62.9%	66.2%
	Round 3	57.1%	63.2%	76.2%
You buy little extras without worrying about every penny	Round 1	51.3%	58.0%	60.0%
	Round 2	61.6%	59.7%	54.9%
	Round 3	52.6%	58.5%	63.0%
You are pretty sure you will not need to be on welfare again	Round 1	47.9%	55.2%	61.1%
	Round 2	52.2%	60.1%	63.3%
	Round 3	47.0%	59.2%	64.3%
You feel you are just barely making it from day to day	Round 1	51.7%	45.8%	47.0%
	Round 2	49.0%	49.1%	46.9%
	Round 3	54.7%	50.4%	48.4%
You feel better about yourself than a year ago	Round 1	80.1%	83.1%	90.1%
	Round 2	83.2%	85.9%	84.9%
	Round 3	78.5%	83.4%	85.2%
You worry more about your family now than a year ago	Round 1	46.8%	43.1%	35.7%
	Round 2	46.0%	41.7%	38.4%
	Round 3	54.3%	45.0%	36.8%
You feel more stress now than you did a year ago	Round 1	43.4%	40.4%	32.0%
	Round 2	44.5%	39.8%	44.0%
	Round 3	49.0%	44.2%	46.2%

CHAPTER V: CHILD OUTCOMES AND WELL-BEING AMONG FAMILIES STILL OFF WELFARE

This chapter compares findings from the three rounds of surveys on child outcomes and well-being among the families who were still off welfare at the time of the surveys. The following topics are covered:

- selection of the focal child;
- child outcomes and well-being; and
- respondents' perceptions about the quality of their neighborhood as a place to raise children.

Appendix A of the report presents additional analyses of the child outcome data, using a "child outcomes index."

A. CHAPTER SUMMARY AND ANALYSIS

One area of concern for policymakers is the impact of welfare reform upon children. On the positive side, there is interest in whether improvements in the employment situation and financial status of persons who have left welfare may have beneficial impacts upon children. At the same time, there is concern that children may be negatively affected by welfare reform, especially in cases where families leave welfare without being able to obtain adequate earnings or other income. Even in cases where welfare leavers are able to obtain stable employment, stress may be created for children if they are placed in child care arrangements for the first time or if the parent moves to a new location to start a job.

With the assistance of Child Trends, Inc., we developed a series of questions to examine whether there was any evidence of negative impacts upon children among families who were still off welfare. Respondents were asked a series of questions about the behavior, attitudes, school performance, and health condition of a "focal child." The respondents were asked whether the child's attitudes, behavior, and health condition were better, worse, or about the same as a year before.

Key Findings

In general, very few respondents reported any negative outcomes for their children. This was true for all three rounds of surveys. For most of the questions, fewer than 10 percent of the respondents reported negative outcomes. The large majority of respondents reported either positive developments for their child or no change. In addition, there was not a great difference among the four types of welfare leavers. The respondent's current employment status also did not seem to have a major effect upon child outcomes. For most of the outcomes, employed respondents were slightly less likely to report negative child outcomes than unemployed respondents.

Interpreting the Findings

There are several factors that may explain the findings. First, close to 70 percent of the respondents who were still off welfare were either working or living with an employed adult at the time of the surveys, so most of the leavers had a source of income. Second, only a relatively small percentage of the leavers reported that they had experienced severe hardships since leaving welfare, including those who were currently unemployed. A majority of the respondents reported that they were better off than when they were on welfare. About 11 percent of Round 3 respondents had experienced food insecurity with hunger in the past year, but most of the respondents had not experienced major problems getting enough food. Many of the respondents also continued to use Food Stamps. Another factor is that many of the respondents were able to draw upon financial support from family and friends in the event of being unemployed. In terms of the health condition of the children, very few of the respondents reported that they had a child without health care coverage.

For many of the outcomes, the two-year follow-up period may be too short to measure the full effects of leaving welfare, both positive and negative. Impacts upon school performance, for example, may not be visible in the short-term.

B. SELECTION OF THE FOCAL CHILD

Each respondent was asked a series of questions about the well-being of a “focal child.” The focal child was selected as follows:

- If the respondent had only one school-age child, this child was selected as the focal child.
- If the respondent had more than one school-age child, the focal child was the one with the earliest birthday in the calendar year, regardless of the birth year.
- If the respondent had no school-age children, the respondent’s oldest pre-school child was selected as the focal child, but the respondent in these cases was asked only about the child’s health, not about other indicators of well-being.

C. FINDINGS ON CHILD OUTCOMES AMONG FAMILIES STILL OFF WELFARE

- At each round of surveys, respondents were asked a series of questions about changes in the child’s well-being in the past year.
- The sections below present the results from the two rounds of surveys. For each question, we examine the results by the following variables:
 - reason for leaving welfare (the four strata);
 - type of neighborhood (high-risk v. low-risk);
 - employment status;
 - ethnicity; and

➤ education.

- For the Round 2 and Round 3 surveys, we also show the results by the age of the focal child. The age of the child was not captured in the first-year surveys.

1. GETTING ALONG WITH OTHER CHILDREN

- Exhibit V-1 presents data on responses to the question: “Compared to one year ago, would you say that (focal child) gets along better with other children, gets along worse, or is about the same?”
- It should be noted that in this and other exhibits, the Round 1 data refer to the first year after respondents left welfare. The Round 2 data refer to the second year after respondents left welfare, and the Round 3 data refer to the third year after respondents left welfare
- The Round 3 data indicate that 43 percent of all respondents felt that their child was getting along better with other children. About 4 percent said that their child was getting along worse with other children, while 53 percent believed there was no change.
- These data are relatively unchanged from the Round 1 and Round 2 responses, except for the slight decline in the percentage who thought that their child was getting along worse with other children.
- At Round 3, persons who had left welfare due to sanctions or time limits were slightly more likely than other respondents to think that their child was getting along better with other children.
- The type of neighborhood in which the respondent lived did not have an impact on whether they thought their child was getting along better or worse with other children.
- The respondent’s employment status did not have a major impact upon respondent perceptions about their child’s behavior.
- At Round 3, ethnicity had no impact upon the percentage of respondents who thought that their child was getting along worse with other children.
- Respondents who had attended college were much less likely than other respondents to think that their child was getting along better with other children. However, they were only slightly more likely to think that their child was getting along worse with other children.

- Respondents whose child was aged 5-12 were slightly more likely than respondents with older children to think that their child was getting along worse with other children.

EXHIBIT V-1
COMPARED TO ONE YEAR AGO, WOULD YOU SAY THAT (FOCAL CHILD) GETS ALONG BETTER WITH OTHER CHILDREN, GETS ALONG WORSE, OR IS ABOUT THE SAME?

	Round 1			Round 2			Round 3		
	Better	Worse	Same	Better	Worse	Same	Better	Worse	Same
Overall	47.2%	6.7%	46.0%	47.3%	4.9%	47.8%	43.1%	4.1%	52.8%
Strata									
Earned income	48.9%	7.8%	43.3%	48.4%	4.8%	46.8%	41.0%	4.5%	54.6%
Sanction	47.9%	4.4%	47.6%	44.7%	4.4%	51.0%	48.0%	3.7%	48.3%
Time limit	47.2%	6.9%	45.8%	41.3%	7.1%	51.6%	45.7%	4.2%	50.1%
Other	43.1%	6.0%	50.9%	51.9%	3.9%	44.2%	41.9%	3.3%	54.8%
Type of Neighborhood									
High risk	48.4%	5.1%	46.5%	45.7%	3.6%	50.6%	44.6%	3.7%	51.7%
Low risk	47.1%	6.9%	46.0%	47.5%	5.0%	47.5%	42.9%	4.1%	53.0%
Employment Status									
Working	45.2%	6.1%	48.6%	46.0%	4.0%	49.9%	45.0%	4.1%	51.0%
Not Working	50.6%	7.7%	41.7%	49.3%	6.1%	44.5%	40.2%	4.1%	55.7%
Ethnicity									
Black	48.6%	5.4%	46.0%	47.2%	4.7%	48.0%	44.7%	4.3%	54.0%
White	44.3%	8.5%	47.2%	48.5%	5.4%	46.1%	37.3%	5.3%	57.4%
Education									
Did not complete high school	48.8%	8.7%	42.5%	50.6%	4.8%	44.7%	41.7%	4.3%	54.0%
Completed high school only	48.4%	5.3%	46.3%	49.7%	4.3%	46.0%	47.5%	3.3%	49.2%
Attended college	41.3%	6.0%	52.6%	33.5%	6.5%	60.0%	35.4%	5.5%	59.1%
Age of Child									
5-12 years old				48.2%	5.8%	46.0%	43.1%	4.3%	52.7%
13-17 years old				43.5%	2.3%	54.2%	43.2%	3.5%	53.3%

2. CHILD'S BEHAVIOR

- Exhibit V-2 presents data on responses to the question: “Compared to one year ago, would you say that (focal child) behaves better, worse, or is about the same?”
- The Round 3 data show that 40 percent of all respondents felt that their child was behaving better than a year ago. Fifty-one percent of the respondents felt that their child was behaving about the same as a year ago, while almost 9 percent thought that the child was behaving worse. The results were largely unchanged from previous rounds.

- Across the three rounds, there was a major decline among persons who had left welfare due to time limits in the percentage who thought that their child was behaving worse than a year ago.
- Type of neighborhoods did not show a consistent relationship with respondent perceptions about whether their child was behaving better or worse than a year ago.
- Employment status did not have a major impact upon respondents' perceptions of their child's behavior.
- Blacks were generally much more likely than whites to report that their child was behaving better than a year ago.
- The Round 2 and Round 3 data show that persons who had attended college were more likely to think that their child was behaving worse than a year ago.
- Age of the focal child did not have a consistent impact upon respondent perceptions.

EXHIBIT V-2
COMPARED TO ONE YEAR AGO, WOULD YOU SAY THAT (FOCAL CHILD) BEHAVES BETTER, WORSE, OR IS ABOUT THE SAME?

	Round 1			Round 2			Round 3		
	Better	Worse	Same	Better	Worse	Same	Better	Worse	Same
Overall	44.3%	10.6%	45.1%	39.7%	11.7%	48.6%	40.2%	8.6%	51.2%
Strata									
Earned income	45.9%	11.2%	42.9%	38.5%	13.6%	47.9%	40.6%	8.3%	51.1%
Sanction	47.5%	8.0%	44.5%	38.9%	13.4%	47.7%	43.7%	11.3%	45.1%
Time limit	39.1%	21.0%	49.0%	40.6%	9.9%	49.5%	38.0%	8.6%	53.3%
Other	41.8%	10.4%	47.8%	42.7%	6.7%	50.6%	37.6%	6.8%	55.6%
Type of Neighborhood									
High risk	43.7%	13.5%	42.8%	40.5%	7.5%	52.0%	42.8%	7.0%	50.2%
Low risk	44.4%	10.3%	45.4%	39.6%	12.2%	48.2%	39.9%	8.8%	51.3%
Employment Status									
Working	43.1%	11.5%	45.4%	41.7%	10.7%	47.7%	41.7%	8.0%	50.3%
Not Working	46.3%	9.1%	44.6%	36.6%	13.4%	50.0%	38.0%	9.5%	52.6%
Ethnicity									
Black	46.7%	10.2%	43.1%	41.5%	11.8%	46.8%	40.8%	7.5%	51.8%
White	36.3%	10.8%	52.9%	33.4%	11.8%	54.7%	38.2%	12.7%	49.1%
Education									
Did not complete high school	41.7%	12.1%	46.3%	42.5%	11.5%	46.0%	37.3%	9.5%	53.2%
Completed high school only	45.8%	8.6%	45.5%	40.2%	10.6%	49.2%	43.0%	5.6%	51.4%
Attended college	46.4%	12.1%	41.6%	31.4%	15.1%	53.5%	40.0%	14.0%	46.0%
Age of Child									
5-12 years old				58.8%	3.3%	37.9%	38.6%	9.6%	51.8%
13-17 years old				39.0%	7.8%	53.1%	44.9%	5.9%	49.3%

3. CHILD'S PERSONALITY

- Exhibit V-3 presents data on responses to the question: “Compared to one year ago, would you say that (focal child) is more outgoing, less outgoing, or about the same?”
- The Round 3 data show that 55 percent of all respondents felt that their child was more outgoing than a year ago. About 42 percent of the respondents felt that the child was about the same as a year ago, while less than 4 percent thought that the child was less outgoing. The results were relatively unchanged across the three rounds.
- Type of neighborhood had no impact on whether respondents felt that their child was more or less outgoing than a year ago.
- In all rounds, respondents who were currently employed were slightly more likely to think that their child was more outgoing than a year ago.
- In all rounds, whites were somewhat more likely than blacks to believe that their child was less outgoing than a year ago.
- Education did not have a consistent impact upon whether respondents believed that their child was more outgoing than a year ago.
- Respondents with children aged 13-17 were less likely to think that their child was more outgoing than a year ago.

**EXHIBIT V-3
 COMPARED TO ONE YEAR AGO, WOULD YOU SAY THAT
 (FOCAL CHILD) IS MORE OUTGOING, LESS OUTGOING,
 OR ABOUT THE SAME?**

	Round 1			Round 2			Round 3		
	More	Less	Same	More	Less	Same	More	Less	Same
Overall	61.2%	5.5%	33.4%	54.3%	4.4%	41.3%	54.7%	3.7%	41.6%
Strata									
Earned income	58.8%	6.1%	35.1%	52.7%	3.7%	43.6%	55.1%	2.6%	42.3%
Sanction	66.4%	2.1%	31.5%	55.3%	5.8%	38.9%	55.7%	7.0%	37.3%
Time limit	54.1%	9.4%	36.5%	49.0%	5.0%	46.0%	50.1%	5.7%	44.2%
Other	67.0%	4.2%	28.8%	61.4%	4.1%	34.4%	56.3%	1.8%	41.9%
Type of Neighborhood									
High risk	61.5%	6.3%	32.2%	57.0%	4.0%	39.0%	57.9%	2.0%	40.1%
Low risk	61.1%	5.4%	33.5%	54.0%	4.4%	41.5%	54.3%	3.9%	41.8%
Employment Status									
Working	62.0%	4.2%	33.8%	56.8%	4.8%	38.4%	56.0%	3.2%	40.9%
Not Working	59.8%	7.6%	32.5%	50.6%	3.8%	45.7%	52.8%	4.5%	42.7%
Ethnicity									
Black	63.6%	4.2%	32.2%	55.2%	3.7%	41.1%	56.6%	3.3%	40.1%
White	55.2%	8.5%	36.3%	52.1%	7.1%	40.8%	48.4%	5.3%	46.3%
Education									
Did not complete high school	55.7%	6.4%	37.8%	49.1%	4.9%	46.0%	55.1%	3.8%	41.1%
Completed high school only	62.3%	4.7%	33.0%	58.7%	3.6%	37.8%	55.0%	3.1%	41.9%
Attended college	70.0%	5.3%	24.8%	56.5%	5.0%	38.5%	53.1%	4.9%	42.1%
Age of Child									
5-12 years old				58.8%	3.3%	37.9%	57.8%	2.9%	39.3%
13-17 years old				39.0%	7.8%	53.1%	45.9%	6.0%	48.1%

4. PARENT’S REACTION TO CHILD’S BEHAVIOR

- Exhibit V-4 presents data on responses to the question: “Compared to one year ago, would you say that your (focal child’s) behavior bothers you more often, less often, or about the same?”
- The Round 3 data show that 30 percent of all respondents felt that their child’s behavior bothered them less than a year ago. About 14 percent reported that the child’s behavior bothered them more, while 55 percent reported no change.
- The percentage of respondents who felt that their child’s behavior bothered them more than a year ago did not vary greatly by reason for leaving welfare.
- At Round 2 and Round 3, persons from low-risk neighborhoods were more likely than other respondents to report that their child’s behavior bothered them more than a year ago.

- At Round 2, about 14 percent of working respondents felt that their child’s behavior bothered them more than a year ago, compared to 18.7 percent of non-working respondents. This was a reversal of the situation in Round 1. At Round 3, employment status had less of an impact.
- At each round, college-educated respondents were slightly more likely than other respondents to report that their child’s behavior bothered them more than a year ago.
- At Round 2, respondents whose focal child was aged 13-17 were much more likely than other respondents to think that their child’s behavior bothered them more. At Round 3, age of the focal child had no impact.

EXHIBIT V-4
COMPARED TO ONE YEAR AGO, WOULD YOU SAY THAT
YOUR CHILD’S BEHAVIOR BOTHERS YOU MORE OFTEN,
LESS OFTEN, OR ABOUT THE SAME?

	Round 1			Round 2			Round 3		
	More	Less	Same	More	Less	Same	More	Less	Same
Overall	16.8%	26.5%	56.7%	15.8%	22.5%	61.8%	14.4%	30.1%	55.5%
Strata									
Earned income	17.5%	29.8%	52.7%	16.4%	20.0%	63.6%	14.8%	32.7%	52.5%
Sanction	16.4%	24.5%	59.1%	20.4%	25.2%	54.4%	14.3%	28.9%	56.8%
Time limit	18.0%	22.0%	60.0%	13.7%	21.8%	64.5%	11.0%	27.4%	61.6%
Other	14.8%	23.5%	60.0%	10.8%	26.2%	63.0%	16.2%	26.5%	57.3%
Type of Neighborhood									
High risk	17.3%	24.7%	58.0%	4.7%	27.0%	58.3%	10.2%	27.2%	62.7%
Low risk	16.8%	26.7%	56.6%	15.9%	21.9%	62.2%	14.9%	30.5%	54.6%
Employment Status									
Working	19.0%	24.1%	56.9%	13.8%	23.6%	62.6%	13.9%	29.1%	57.0%
Not Working	13.2%	30.3%	56.4%	18.7%	20.7%	60.5%	15.2%	31.6%	53.2%
Ethnicity									
Black	17.3%	26.0%	56.7%	17.3%	21.7%	61.0%	14.1%	29.7%	56.2%
White	14.7%	26.9%	58.4%	10.3%	25.2%	64.5%	15.4%	31.3%	53.2%
Education									
Did not complete high school	17.5%	27.5%	55.0%	14.2%	20.1%	65.8%	12.7%	26.4%	60.9%
Completed high school only	15.3%	24.4%	60.2%	16.2%	22.8%	61.0%	14.0%	34.2%	51.9%
Attended college	19.1%	29.0%	51.9%	18.5%	27.3%	54.1%	19.5%	28.9%	51.7%
Age of Child									
5-12 years old				13.3%	24.4%	62.3%	14.6%	30.6%	54.8%
13-17 years old				22.3%	16.1%	61.7%	13.8%	28.9%	57.3%

5. CHANGES IN CHILD'S MOOD

- Exhibit V-5 presents data on responses to the question: “Compared to one year ago, would you say that your (focal child) is more happy, less happy, or about the same?”
- The Round 3 data show that almost 54 percent of the respondents felt that their child was happier than a year ago. About 40 percent felt that the child was the same as a year ago, while 6 percent thought that the child was less happy. The results were basically the same as in the Round 1 and Round 2 surveys.
- Reason for leaving welfare and type of neighborhood had little impact upon respondents’ perceptions about their child’s happiness.
- Employment status had little impact upon respondents’ perceptions of their child’s happiness.
- At each round, blacks were somewhat more likely than whites to think that their child was happier.
- Education of the respondent and age of the focal child had little impact upon respondents’ perceptions of their child’s happiness.

**EXHIBIT V-5
 COMPARED TO ONE YEAR AGO, WOULD YOU SAY THAT
 (FOCAL CHILD) IS MORE HAPPY, LESS HAPPY,
 OR ABOUT THE SAME?**

	Round 1			Round 2			Round 3		
	More	Less	Same	More	Less	Same	More	Less	Same
Overall	54.8%	7.2%	38.1%	53.6%	6.5%	39.9%	53.6%	6.0%	40.3%
Strata									
Earned income	51.6%	8.4%	40.0%	53.4%	6.8%	39.8%	53.3%	6.3%	40.4%
Sanction	58.4%	4.1%	37.5%	56.1%	6.9%	37.0%	57.5%	5.5%	37.0%
Time limit	55.3%	7.6%	37.1%	48.2%	10.3%	41.5%	50.8%	6.1%	43.1%
Other	58.9%	6.4%	34.7%	55.3%	2.6%	42.2%	53.0%	5.8%	41.2%
Type of Neighborhood									
High risk	49.6%	9.9%	40.5%	48.2%	9.1%	42.8%	48.8%	6.1%	45.1%
Low risk	55.4%	6.8%	37.7%	54.2%	6.2%	39.6%	54.2%	6.0%	39.8%
Employment Status									
Working	56.2%	7.4%	36.4%	53.6%	5.8%	40.6%	53.8%	5.1%	41.1%
Not Working	52.5%	6.7%	40.8%	53.5%	7.5%	38.9%	53.4%	7.5%	39.1%
Ethnicity									
Black	57.6%	4.5%	37.9%	55.2%	5.9%	38.9%	56.6%	5.4%	38.0%
White	46.8%	14.7%	38.4%	48.1%	8.8%	43.1%	43.9%	8.5%	47.7%
Education									
Did not complete high school	55.3%	7.7%	37.0%	52.6%	6.7%	40.8%	51.6%	5.8%	42.6%
Completed high school only	52.2%	5.8%	42.0%	56.8%	6.1%	37.2%	59.1%	5.5%	35.4%
Attended college	60.1%	9.2%	30.7%	48.1%	7.1%	44.8%	44.6%	8.0%	47.4%
Age of Child									
5-12 years old				53.5%	6.2%	40.3%	53.5%	5.2%	41.3%
13-17 years old				52.1%	7.3%	40.6%	54.1%	8.4%	37.5%

6. CHANGES IN CHILD’S TEMPERAMENT

- Exhibit V-6 presents data on responses to the question: “Compared to one year ago, would you say that your (focal child) is more calm and easy-going, less calm and easy-going, or about the same?”
- As shown in the exhibit, about 31 percent of the Round 3 respondents felt that their child was more calm and easy-going than a year ago. Almost 8 percent felt that the child was less calm and easy-going, and 61 percent thought that there was no change. There was no major change across the three rounds in the percentage who thought that their child was less calm and easy-going.
- The responses to the question did not vary to any great extent based on the reason for leaving welfare, type of neighborhood, or employment status of the respondent.

- At Rounds 2 and 3, there was no difference between blacks and whites in perceptions of the child’s temperament. At Round 1, in contrast, whites were almost twice as likely as blacks to think that their child was less calm and easy-going.
- At Round 2, persons who had attended college were more likely than other respondents to say that their child was more easy-going than a year ago, but were also more likely to say that their child was less easy-going. At Round 3, education had no impact.
- Respondents with children aged 5-12 were somewhat more likely to think that their child was less calm and easy-going.

EXHIBIT V-6
COMPARED TO ONE YEAR AGO, WOULD YOU SAY THAT
(FOCAL CHILD) IS MORE CALM AND EASY-GOING, LESS CALM AND
EASY-GOING OR ABOUT THE SAME?

Characteristic	Round 1			Round 2			Round 3		
	More	Less	Same	More	Less	Same	More	Less	Same
Overall	38.8%	9.1%	52.1%	34.3%	11.1%	54.6%	30.8%	7.7%	61.5%
Strata									
Earned income	39.1%	8.7%	52.2%	32.7%	13.3%	54.0%	29.4%	8.9%	61.7%
Sanction	38.5%	8.4%	53.1%	32.2%	9.9%	57.9%	29.6%	6.8%	63.6%
Time limit	35.8%	11.5%	52.7%	36.7%	10.3%	53.1%	33.5%	7.9%	58.7%
Other	40.5%	9.1%	50.5%	38.8%	7.5%	53.7%	33.6%	5.0%	61.4%
Type of Neighborhood									
High risk	40.8%	9.7%	49.5%	36.7%	11.6%	51.7%	36.4%	7.6%	56.0%
Low risk	38.6%	9.0%	52.4%	34.0%	11.1%	54.9%	30.2%	7.7%	62.2%
Employment Status									
Working	37.4%	8.7%	53.8%	35.6%	9.8%	54.7%	31.8%	7.6%	60.6%
Not Working	41.1%	9.7%	49.2%	32.3%	13.2%	54.5%	29.3%	7.8%	62.9%
Ethnicity									
Black	41.8%	7.5%	50.7%	34.5%	11.0%	54.4%	32.5%	7.1%	60.3%
White	30.5%	13.3%	56.2%	34.2%	11.1%	54.7%	26.0%	8.3%	65.6%
Education									
Did not complete high school	36.9%	10.3%	52.8%	29.3%	10.2%	60.5%	29.6%	6.5%	63.8%
Completed high school only	40.5%	6.9%	52.5%	35.6%	8.4%	56.0%	30.8%	9.4%	59.9%
Attended college	39.0%	11.6%	49.5%	43.1%	20.1%	36.8%	33.7%	6.0%	60.3%
Age of Child									
5-12 years old				33.6%	11.8%	54.6%	30.4%	8.9%	60.7%
13-17 years old				37.0%	9.4%	53.6%	32.1%	4.1%	63.8%

7. CHILD'S CONCERN FOR THE FEELINGS OF OTHERS

- Exhibit V-7 presents data on responses to the question: “Compared to one year ago, would you say that (focal child) shows more concern for the feelings of others, less concern, or is about the same?”
- At Round 3, about 53 percent of the respondents felt that their child showed more concern for the feelings of others, and 41 percent saw no change in the child. About 5 percent felt that the child showed less concern for the feelings of others. These results were largely the same as for Round 1 and Round 2.
- Reason for leaving welfare and type of neighborhood had little impact upon the survey responses.
- The respondent’s employment status, ethnicity, and education also had little impact upon respondents’ views about changes in the child’s concern for others’ feelings.
- At Round 2, respondents whose focal child was 13-17 were somewhat more likely than other respondents to think that their child showed less concern for the feelings of others. At Round 3, the age of the focal child had no impact.

EXHIBIT V-7
COMPARED TO ONE YEAR AGO, WOULD YOU SAY THAT
(FOCAL CHILD) SHOWS MORE CONCERN FOR THE FEELINGS OF
OTHERS, LESS CONCERN OR ABOUT THE SAME?

Characteristic	Round 1			Round 2			Round 3		
	More	Less	Same	More	Less	Same	More	Less	Same
Overall	51.6%	6.9%	41.5%	50.6%	6.5%	43.0%	53.2%	5.4%	41.4%
Strata									
Earned income	48.2%	8.9%	42.9%	51.2%	7.2%	41.6%	51.7%	4.8%	43.4%
Sanction	51.3%	2.9%	45.8%	48.6%	4.4%	47.0%	55.4%	5.2%	39.3%
Time limit	51.6%	5.2%	43.2%	49.5%	8.6%	41.9%	50.4%	6.3%	43.3%
Other	59.7%	6.9%	33.4%	51.9%	5.1%	42.9%	57.3%	6.3%	36.4%
Type of Neighborhood									
High risk	51.8%	4.6%	43.6%	53.1%	6.7%	40.1%	49.0%	8.1%	42.9%
Low risk	51.6%	7.2%	41.2%	50.3%	6.4%	43.3%	53.7%	5.1%	41.2%
Employment Status									
Working	50.4%	6.5%	43.1%	50.6%	5.2%	44.2%	52.7%	4.4%	42.9%
Not Working	53.6%	7.6%	38.8%	50.6%	8.4%	41.0%	54.1%	6.9%	39.1%
Ethnicity									
Black	53.5%	6.2%	40.3%	52.0%	5.4%	42.6%	53.1%	5.8%	41.1%
White	47.3%	8.2%	44.5%	45.9%	10.5%	43.6%	53.9%	4.2%	41.9%
Education									
Did not complete high school	52.8%	5.6%	41.6%	51.8%	6.4%	41.8%	51.5%	6.8%	41.7%
Completed high school only	49.5%	7.9%	42.5%	53.1%	5.9%	41.0%	58.2%	3.8%	38.0%
Attended college	54.3%	7.2%	38.6%	41.4%	7.7%	50.8%	44.7%	6.0%	49.2%
Age of Child									
5-12 years old				49.3%	5.4%	45.2%	53.5%	5.9%	40.6%
13-17 years old				53.9%	10.0%	36.2%	52.5%	4.0%	43.5%

8. CHILD’S SCHOOL SITUATION

- Exhibit V-8 presents data on responses to the question: “Would you say that your (focal child) has been doing very well, well, average, below average, or not well at all in school?”
- At Round 3, about 65 percent of the respondents thought that their child was doing very well or well in school, while almost 8 percent thought that their child was doing below average or not well at all. The results were largely unchanged from earlier rounds.
- At Rounds 2 and 3, reason for leaving welfare had little impact upon the survey responses. At Round 1, in contrast, respondents who left welfare due to sanctions were more likely than other respondents to report that their child was doing very well in school.

- There continued to be relatively little difference between respondents from high-risk and low-risk neighborhoods in the percentage who thought that their child was doing very well in school.
- At Round 2 and Round 3, employment status had little impact upon respondent perceptions. At Round 1, in contrast, non-working respondents were somewhat more likely than working respondents to think that their child was doing very well in school.
- At Round 2 and Round 3, there was little difference between blacks and whites in the survey responses. At Round 1, about 50 percent of whites felt that their child was doing very well in school, compared to only 41 percent of blacks. However, 16 percent of whites felt that their child was doing below average or not well at all, compared to only 9.5 percent of blacks.
- The respondent's education did not have a major impact upon respondent perceptions about their children's school performance.
- Respondents whose focal child was aged 5-12 were much more likely than respondents whose child was 13-17 to think that the child was doing "very well" in school.

EXHIBIT V-8-A
WOULD YOU SAY THAT (FOCAL CHILD) HAS BEEN DOING VERY WELL, WELL, AVERAGE, BELOW AVERAGE OR NOT WELL AT ALL IN SCHOOL? – ROUND 1 AND ROUND 2

Characteristic	Round 1					Round 2				
	Very Well	Well	Average	Below Average	Not Well At All	Very Well	Well	Average	Below Average	Not Well At All
Overall	43.0%	21.8%	24.2%	6.8%	4.2%	44.0%	22.5%	23.6%	5.9%	4.0%
Strata										
Earned income	39.7%	20.5%	27.7%	6.6%	5.5%	44.0%	20.3%	25.7%	5.0%	5.0%
Sanction	50.5%	19.6%	19.3%	8.0%	2.6%	42.8%	24.3%	25.3%	5.1%	2.5%
Time limit	41.5%	22.2%	27.5%	6.3%	2.5%	43.2%	25.2%	19.5%	9.6%	2.5%
Other	45.1%	26.3%	18.1%	6.4%	4.0%	45.5%	24.4%	19.8%	6.2%	4.1%
Type of Neighborhood										
High risk	42.7%	16.3%	29.9%	5.0%	6.1%	39.6%	24.2%	25.7%	7.0%	3.5%
Low risk	43.0%	22.5%	23.5%	7.0%	4.0%	44.5%	22.3%	23.4%	5.8%	4.1%
Employment Status										
Working	39.9%	21.5%	25.5%	7.3%	5.8%	44.1%	22.2%	22.8%	6.0%	4.9%
Not Working	48.0%	22.4%	22.1%	5.9%	1.6%	43.7%	23.1%	24.9%	5.8%	2.6%
Ethnicity										
Black	41.2%	24.8%	24.5%	6.0%	3.5%	43.4%	23.0%	24.5%	5.6%	3.4%
White	50.2%	11.4%	22.2%	9.5%	6.6%	46.7%	21.1%	19.0%	7.0%	6.2%
Education										
Did not complete high school	44.2%	20.8%	21.5%	10.1%	3.5%	42.3%	27.2%	21.5%	3.6%	5.3%
Completed high school only	41.9%	22.3%	25.2%	5.0%	5.6%	45.6%	21.7%	24.9%	5.7%	2.2%
Attended college	43.1%	22.8%	27.5%	3.9%	2.5%	44.0%	13.1%	25.8%	12.0%	5.2%
Age of Child										
5-12 years old						46.9%	21.9%	21.4%	6.1%	3.6%
13-17 years old						32.7%	25.0%	31.5%	5.5%	5.3%

EXHIBIT V-8-B
WOULD YOU SAY THAT (FOCAL CHILD) HAS BEEN DOING VERY WELL, WELL, AVERAGE, BELOW AVERAGE OR NOT WELL AT ALL IN SCHOOL? – ROUND 3

Characteristic	Round 3				
	Very Well	Well	Average	Below Average	Not Well At All
Overall	43.6%	21.4%	27.3%	6.1%	1.6%
Strata					
Earned income	44.1%	16.1%	32.2%	6.5%	1.2%
Sanction	38.1%	27.8%	25.1%	7.7%	1.2%
Time limit	42.2%	25.4%	25.5%	3.6%	3.3%
Other	48.7%	26.0%	17.9%	5.8%	1.5%
Type of Neighborhood					
High risk	40.0%	26.6%	23.6%	8.6%	1.3%
Low risk	44.0%	20.8%	27.8%	5.9%	1.6%
Employment Status					
Working	45.2%	20.7%	25.3%	7.9%	0.9%
Not Working	41.2%	22.4%	30.5%	3.4%	2.6%
Ethnicity					
Black	42.9%	21.3%	28.7%	5.8%	1.3%
White	46.9%	21.1%	23.2%	6.1%	2.6%
Education					
Did not complete high school	40.8%	27.3%	23.2%	6.7%	1.9%
Completed high school only	46.4%	18.7%	29.6%	4.5%	0.8%
Attended college	42.9%	14.1%	31.4%	9.0%	2.6%
Age of Child					
5-12 years old	46.7%	22.1%	24.8%	5.3%	1.2%
13-17 years old	34.7%	19.3%	34.7%	8.6%	2.7%

9. CHILD’S SCHOOL PERFORMANCE

- Exhibit V-9 present data on responses to the question: “Compared to one year ago, would you say that your (focal child) has been doing better at schoolwork, worse at schoolwork, or about the same?”
- At Round 2, 59 percent of the respondents felt that their child was doing better than a year ago, while 7 percent thought that the child was doing worse. These results are about the same as for Round 1 and Round 2.
- Reason for leaving welfare and type of neighborhood had little impact upon the survey responses.
- At Round 1 and Round 2, working respondents were somewhat more likely than unemployed respondents to believe that their child was doing worse in school. This was not apparent at Round 3

- At each round, whites were somewhat more likely than blacks to think that their child was doing worse at schoolwork.
- At Round 2 and Round 3, persons who had attended college were more likely than other respondents to think that their child was doing worse than a year ago. This was a change from the situation in Round 1.
- The age of the focal child did not have a major impact upon the percentage of respondents who thought that their child was doing worse in school.

EXHIBIT V-9
COMPARED TO ONE YEAR AGO, WOULD YOU SAY THAT
(FOCAL CHILD) HAS BEEN DOING BETTER AT SCHOOLWORK,
WORSE AT SCHOOLWORK OR ABOUT THE SAME?

Characteristic	Round 1			Round 2			Round 3		
	Better	Worse	Same	Better	Worse	Same	Better	Worse	Same
Overall	59.7%	10.0%	30.3%	57.3%	10.0%	32.8%	59.1%	7.0%	34.0%
Strata									
Earned income	62.4%	11.8%	25.8%	53.5%	11.8%	34.7%	57.0%	7.1%	35.9%
Sanction	55.8%	7.3%	37.0%	59.3%	8.5%	32.2%	62.2%	8.5%	29.3%
Time limit	56.2%	10.0%	33.8%	62.1%	7.4%	30.4%	63.8%	8.7%	27.5%
Other	59.5%	8.0%	32.5%	60.9%	8.7%	30.3%	57.8%	3.8%	38.4%
Type of Neighborhood									
High risk	57.5%	12.4%	30.1%	61.4%	10.7%	28.0%	56.1%	5.7%	38.2%
Low risk	60.0%	9.7%	30.3%	56.8%	9.9%	33.3%	59.4%	7.1%	33.5%
Employment Status									
Working	58.1%	11.8%	30.1%	55.3%	11.4%	33.3%	58.5%	7.0%	34.5%
Not Working	62.5%	7.0%	30.5%	60.3%	7.7%	32.0%	59.9%	6.9%	33.2%
Ethnicity									
Black	63.8%	8.0%	28.2%	58.5%	8.8%	32.6%	61.9%	6.6%	31.4%
White	46.6%	15.4%	38.0%	53.6%	12.8%	33.6%	50.1%	8.4%	41.6%
Education									
Did not complete high school	59.0%	10.4%	30.6%	59.9%	9.7%	30.5%	56.9%	8.7%	34.4%
Completed high school only	61.6%	10.5%	27.9%	53.7%	7.3%	39.0%	63.4%	3.2%	33.4%
Attended college	57.0%	7.7%	35.3%	59.7%	17.2%	23.1%	53.1%	12.4%	34.4%
Age of Child									
5-12 years old				56.7%	9.6%	33.7%	62.8%	6.4%	30.8%
13-17 years old				57.6%	11.5%	30.8%	48.3%	8.7%	43.1%

10. CHILD'S ATTITUDE TO DOING WELL IN SCHOOL

- Exhibit V-10 presents data on responses to the question: "Compared to a year ago, would you say that (focal child) cares more about doing well in school, cares less, or is about the same?"

- The Round 3 data indicate that 62 percent of the respondents felt that their child cared more about doing well in school, while 6 percent thought that their child cared less. The results were largely unchanged from earlier rounds.
- Reason for leaving welfare, type of neighborhood, and employment status did not have a clear impact upon respondent perceptions of their child’s attitude toward school.
- At each round, blacks were somewhat more likely than whites to think that their child cared more about doing well in school.
- At Round 2 and Round 3, respondents who had attended college were more likely than other respondents to think that their child cared less about doing well in school.
- Respondents whose focal child was aged 13-17 were somewhat more likely than other respondents to think that their child cared less about doing well in school.

EXHIBIT V-10
COMPARED TO ONE YEAR AGO, WOULD YOU SAY THAT
(FOCAL CHILD) CARES MORE ABOUT DOING WELL IN SCHOOL,
CARES LESS OR IS ABOUT THE SAME?

Characteristic	Round 1			Round 2			Round 3		
	More	Less	Same	More	Less	Same	More	Less	Same
Overall	60.4%	8.3%	31.2%	60.8%	9.5%	29.7%	61.7%	6.1%	32.2%
Strata									
Earned income	56.9%	8.7%	34.5%	59.0%	11.6%	29.4%	58.0%	7.1%	34.9%
Sanction	64.4%	9.1%	26.5%	60.7%	9.7%	29.7%	65.7%	3.5%	30.8%
Time limit	62.7%	8.4%	28.9%	65.4%	6.6%	28.0%	63.6%	7.3%	29.2%
Other	63.9%	6.9%	29.2%	62.0%	6.4%	31.6%	66.4%	5.0%	28.5%
Type of Neighborhood									
High risk	59.8%	8.0%	32.2%	57.8%	10.1%	32.1%	58.1%	4.2%	37.7%
Low risk	60.5%	8.4%	31.1%	61.2%	9.5%	29.4%	62.1%	6.3%	31.5%
Employment Status									
Working	60.0%	9.4%	30.7%	62.5%	9.6%	28.0%	60.8%	6.8%	32.4%
Not Working	61.3%	6.6%	32.1%	58.3%	9.5%	32.3%	63.1%	5.1%	31.8%
Ethnicity									
Black	63.2%	7.2%	29.6%	63.0%	8.7%	28.3%	65.0%	4.7%	30.3%
White	52.9%	10.8%	36.3%	53.2%	12.8%	34.0%	52.4%	11.1%	36.5%
Education									
Did not complete high school	58.1%	8.4%	33.5%	63.4%	8.6%	28.0%	64.6%	5.4%	30.1%
Completed high school only	61.1%	8.7%	30.3%	57.2%	8.9%	33.9%	59.8%	4.1%	36.1%
Attended college	64.0%	7.4%	28.6%	63.4%	13.5%	23.1%	59.9%	12.8%	27.3%
Age of Child									
5-12 years old				60.8%	8.7%	30.5%	61.4%	5.2%	33.4%
13-17 years old				61.0%	12.5%	26.4%	62.6%	8.7%	28.6%

11. CHILD'S HEALTH STATUS

- Exhibit V-11 presents data on responses to the question: “Would you say that (focal child’s) health in general is excellent, very good, good, fair, or poor?”
- At Round 2, 43 percent of the respondents rated their child’s health as excellent and 24 percent rated it very good. The results were about the same as earlier rounds.
- Reason for leaving welfare, type of neighborhood, and the respondent’s employment status did not have a clear impact upon respondent perceptions.
- At Round 3, almost 7 percent of blacks rated their child’s health as fair or poor, compared to only 3.4 percent of whites. This was similar to the situation at Round 1 and Round 2.
- At Round 2, 9.8 percent of high school drop-outs rated their child’s health as fair or poor, compared to only 4.5 percent of those who had attended college. This was similar to the situation at Round 1. At Round 3, the respondent’s education had no impact.
- At Round 3, about 68 percent of the respondents whose focal child was aged 5-12 rated their child’s health as excellent or very good, compared to only 44 percent of respondents whose focal child was aged 13-17. This was similar to the situation at Round 2.

EXHIBIT V-11-A
WOULD YOU SAY THAT (FOCAL CHILD'S) HEALTH IN GENERAL IS
EXCELLENT, VERY GOOD, GOOD, FAIR OR POOR?
– ROUNDS 1 AND 2

Characteristic	Round 1					Round 2				
	Excellent	Very Good	Good	Fair	Poor	Excellent	Very Good	Good	Fair	Poor
Overall	42.2%	24.9%	24.4%	7.5%	1.0%	42.0%	24.3%	26.1%	6.7%	0.9%
Strata										
Earned income	40.9%	25.9%	25.2%	7.4%	0.5%	45.8%	22.8%	25.6%	4.7%	1.1%
Sanction	42.2%	26.1%	22.1%	7.4%	2.2%	38.2%	27.2%	26.6%	7.0%	1.1%
Time limit	35.9%	25.8%	28.6%	8.7%	1.0%	37.2%	26.7%	26.9%	8.3%	0.9%
Other	48.7%	21.2%	21.9%	6.9%	1.3%	40.0%	23.0%	26.4%	10.5%	0.0%
Type of neighborhood										
High risk	42.9%	25.7%	24.5%	5.4%	1.5%	46.5%	21.9%	28.0%	3.6%	0.0%
Low risk	42.1%	24.9%	24.3%	7.7%	1.0%	41.5%	24.5%	25.9%	7.1%	1.0%
Employment Status										
Working	44.2%	24.4%	23.9%	6.8%	0.7%	41.0%	23.6%	27.5%	7.0%	0.9%
Not Working	38.9%	25.9%	25.0%	8.6%	1.6%	43.6%	25.2%	24.0%	6.3%	0.8%
Ethnicity										
Black	38.8%	25.7%	25.8%	8.6%	1.1%	41.6%	22.9%	26.5%	8.2%	0.8%
White	50.6%	23.0%	20.8%	4.7%	1.0%	42.1%	28.8%	25.6%	2.5%	1.0%
Education										
Did not complete high school	36.3%	22.9%	30.5%	8.9%	1.4%	43.6%	21.7%	24.8%	8.6%	1.2%
Completed high school only	43.0%	26.4%	21.5%	7.9%	1.2%	38.9%	25.9%	28.5%	5.9%	0.9%
Attended college	52.6%	25.9%	18.0%	3.6%	0.0%	46.3%	26.3%	23.0%	4.5%	0.0%
Age of Child										
5-12 years old						41.1%	27.2%	24.9%	5.9%	1.0%
13-17 years old						36.2%	18.0%	36.2%	9.6%	0.0%

EXHIBIT V-11-B
WOULD YOU SAY THAT (FOCAL CHILD'S) HEALTH IN GENERAL IS EXCELLENT, VERY GOOD, GOOD, FAIR OR POOR? – ROUND 3

Characteristic	Round 3				
	Excellent	Very Good	Good	Fair	Poor
Overall	43.5%	23.9%	26.6%	4.9%	1.1%
Strata					
Earned income	44.0%	26.6%	25.7%	3.1%	0.5%
Sanction	48.9%	21.2%	23.6%	5.5%	0.8%
Time limit	42.6%	18.0%	27.8%	8.6%	3.0%
Other	37.4%	23.8%	31.1%	6.3%	1.3%
Type of neighborhood					
High risk	38.3%	26.5%	29.2%	5.4%	0.6%
Low risk	44.1%	23.6%	26.3%	4.8%	1.1%
Employment Status					
Working	45.8%	24.5%	24.4%	4.5%	0.7%
Not Working	40.0%	23.1%	29.9%	5.5%	1.6%
Ethnicity					
Black	41.5%	24.7%	26.8%	6.0%	0.9%
White	49.7%	21.6%	25.3%	1.8%	1.6%
Education					
Did not complete high school	44.9%	20.1%	29.1%	4.8%	1.1%
Completed high school only	41.4%	24.5%	27.9%	5.2%	1.1%
Attended college	45.4%	31.4%	17.6%	4.5%	1.1%
Age of Child					
5-12 years old	43.0%	25.4%	26.2%	4.4%	1.0%
13-17 years old	37.3%	18.9%	35.7%	6.9%	1.2%

12. CHANGES IN CHILD’S HEALTH

- Exhibit V-12 presents data on responses to the question: “Compared to one year ago, would you say that your (focal child’s) health is better, worse, or about the same?”
- At Round 3, 35 percent of the respondents rated their child’s health as better than a year before, and only 1.5 percent rated it worse. The results were largely unchanged from earlier rounds.
- The responses did not vary greatly by reason for leaving welfare or by type of neighborhood.
- Working and non-working respondents did not differ greatly in terms of whether they thought that their child’s health was better than a year ago.
- At Round 1 and 2, there was not a major difference between blacks and whites in the survey results. At Round 3, blacks were somewhat more likely than whites to think that their child’s health was better.

- Respondents who had not completed high school were somewhat more likely than other respondents to think that their child’s health was worse than a year ago.
- At Round 2, respondents whose focal child was 5-12 were somewhat more likely than other respondents to think that their child’s health was better. At Round 3, age of the child had less impact.

EXHIBIT V-12
COMPARED TO ONE YEAR AGO, WOULD YOU SAY THAT
(FOCAL CHILD'S) HEALTH IS BETTER, WORSE,
OR ABOUT THE SAME?

Characteristic	Round 1			Round 2			Round 3		
	Better	Worse	Same	Better	Worse	Same	Better	Worse	Same
Overall	39.2%	3.1%	57.6%	39.5%	2.8%	57.8%	35.5%	1.5%	63.0%
Strata									
Earned income	37.2%	3.6%	59.2%	36.8%	2.7%	60.5%	37.1%	0.5%	62.4%
Sanction	39.5%	4.1%	56.3%	45.1%	2.9%	51.9%	36.7%	2.1%	61.1%
Time limit	45.4%	2.6%	52.0%	43.2%	1.6%	55.2%	36.3%	3.8%	59.9%
Other	40.1%	1.3%	58.6%	37.4%	3.4%	59.1%	29.5%	1.7%	68.7%
Type of Neighborhood									
High risk	46.1%	5.1%	48.8%	37.6%	1.2%	61.2%	32.7%	1.4%	65.9%
Low risk	38.5%	2.9%	58.6%	39.7%	2.9%	57.4%	35.8%	1.5%	62.7%
Employment Status									
Working	39.2%	2.8%	58.0%	37.7%	2.6%	59.7%	35.4%	0.7%	63.9%
Not Working	39.4%	3.6%	57.0%	42.2%	2.9%	54.9%	35.6%	2.8%	61.6%
Ethnicity									
Black	40.0%	2.4%	57.7%	39.7%	2.5%	57.8%	38.1%	1.5%	60.4%
White	37.5%	4.5%	58.0%	39.8%	3.6%	56.6%	27.3%	1.7%	70.9%
Education									
Did not complete high school	41.6%	3.7%	54.7%	42.4%	4.2%	53.3%	34.8%	2.7%	62.5%
Completed high school only	39.6%	3.4%	57.0%	38.1%	1.7%	60.2%	37.4%	0.8%	61.8%
Attended college	33.4%	1.2%	65.4%	35.8%	1.9%	62.3%	32.2%	0.7%	67.1%
Age of Child									
5-12 years old				40.0%	2.4%	57.6%	37.6%	1.7%	60.7%
13-17 years old				34.9%	5.1%	59.9%	34.4%	1.6%	64.0%

13. REGULAR SOURCE OF MEDICAL CARE FOR THE CHILD

- Exhibit V-13 presents data on responses to the question: “Is there a place where your (focal child) is usually taken for routine medical care, such as getting check-ups?” This question was not limited to school-age children.
- As indicated, 94 percent of the Round 3 respondents answered yes to this question – about the same as earlier rounds.

- At Round 1, persons who left welfare for “other” reasons were somewhat less likely than other respondents to have a regular source of care. By Round 3, however, this was no longer the case.
- There was no difference between persons from high-risk and low-risk neighborhoods in terms of the percentage whose child had a regular source of medical care. In addition, there was little difference between working and non-working respondents or between blacks and whites in the percentage whose child had a regular source of medical care.
- Educational level did not have a noticeable impact on whether respondents had a regular source of medical care for their child.
- Respondents whose focal child was aged 13-17 were somewhat less likely to report a regular source of medical care for the child than respondents whose focal child was aged 5-12.

EXHIBIT V-13

IS THERE A PLACE WHERE (FOCAL CHILD) IS USUALLY TAKEN FOR ROUTINE MEDICAL CARE, SUCH AS GETTING CHECK-UPS?

Characteristic	Round 1			Round 2			Round 3		
	Yes	No	Total	Yes	No	Total	Yes	No	Total
Overall	93.3%	6.7%	100%	96.1%	3.9%	100%	94.3%	5.7%	100%
Strata									
Earned income	94.7%	5.3%	100%	96.6%	3.4%	100%	93.6%	6.4%	100%
Sanction	91.8%	8.2%	100%	96.9%	3.1%	100%	93.8%	6.2%	100%
Time limit	96.9%	3.1%	100%	94.3%	5.7%	100%	95.4%	4.6%	100%
Other	89.4%	10.6%	100%	95.1%	4.9%	100%	95.8%	4.2%	100%
Type of neighborhood									
High risk	94.3%	5.7%	100%	94.9%	5.1%	100%	94.8%	5.2%	100%
Low risk	93.2%	6.8%	100%	96.2%	3.8%	100%	90.3%	9.7%	100%
Employment Status									
Working	93.5%	6.5%	100%	96.6%	3.4%	100%	95.6%	4.4%	100%
Not Working	93.2%	6.8%	100%	95.3%	4.7%	100%	92.4%	7.6%	100%
Ethnicity									
Black	93.3%	6.7%	100%	95.7%	4.3%	100%	94.9%	5.1%	100%
White	95.2%	4.8%	100%	97.1%	2.9%	100%	92.8%	7.2%	100%
Education									
Did not complete high school	92.2%	7.8%	100%	95.6%	4.4%	100%	94.0%	6.0%	100%
Completed high school only	93.4%	6.6%	100%	96.1%	3.9%	100%	94.5%	5.5%	100%
Attended college	95.7%	4.3%	100%	97.1%	2.9%	100%	94.7%	5.3%	100%
Age of Child									
5-12 years old				96.4%	3.6%	100%	95.6%	4.4%	100%
13-17 years old				93.0%	7.0%	100%	89.3%	10.7%	100%

D. QUALITY OF NEIGHBORHOOD AS A PLACE TO RAISE CHILDREN

- Exhibits V-14 presents data on responses to the question: “How would you rate the safety of your neighborhood as a place to raise children?”
- At Round 3, 87 percent of the respondents rated their neighborhood as good or very good, compared to 86 percent at Round 2 and 81 percent at Round 1.
- At Round 3, about 20 percent of persons who left welfare due to time limits rated their neighborhood as not too good or very bad, compared to 10 percent of the respondents who left welfare due to earnings.
- At Round 2, about 22 percent of persons in high-risk neighborhoods rated their neighborhood as not too good or very bad, compared to only 12 percent of the respondents from low-risk neighborhoods.
- At Round 3, about 17 percent of non-working respondents considered their neighborhood to be not too good or very bad, compared to only 10 percent of working respondents.
- The percentage of blacks who thought that their neighborhood was not too good or very bad declined from 21 percent at Round 1 to 15 percent at Round 2 and to 14 percent at Round 3.

EXHIBIT V-14 HOW WOULD YOU RATE YOUR NEIGHBORHOOD AS A PLACE TO RAISE CHILDREN?

Characteristic	Round 1				Round 2				Round 3			
	Very Good	Good	Not too Good	Very Bad	Very Good	Good	Not too Good	Very Bad	Very Good	Good	Not too Good	Very Bad
Overall	36.5%	44.7%	14.8%	4.0%	33.6%	52.7%	11.2%	2.6%	34.0%	52.9%	10.6%	2.5%
Strata												
Earned income	36.4%	44.7%	15.0%	3.9%	32.6%	54.8%	11.1%	1.4%	33.4%	56.2%	9.1%	1.3%
Sanction	35.7%	45.5%	17.0%	1.8%	35.4%	50.7%	10.2%	3.6%	34.0%	48.9%	12.9%	4.2%
Time limit	32.0%	44.0%	18.0%	6.0%	27.1%	51.3%	16.5%	5.1%	28.2%	51.4%	15.3%	5.1%
Other	40.3%	44.7%	10.0%	4.9%	38.0%	50.3%	8.9%	2.8%	39.6%	49.5%	9.0%	2.0%
Type of neighborhood												
High risk	27.0%	48.5%	16.8%	7.7%	23.7%	53.6%	17.7%	5.0%	32.1%	45.7%	18.6%	3.6%
Low risk	37.6%	44.3%	14.5%	3.5%	34.6%	52.5%	10.5%	2.3%	34.2%	53.7%	9.7%	2.4%
Employment Status												
Working	38.4%	42.7%	14.6%	4.3%	36.6%	52.0%	8.5%	3.0%	38.3%	51.3%	8.8%	1.6%
Not Working	33.5%	48.0%	15.1%	3.4%	29.0%	53.7%	15.3%	2.1%	27.5%	55.4%	13.4%	3.7%
Ethnicity												
Black	34.5%	44.8%	16.9%	3.8%	30.4%	55.1%	11.7%	2.9%	30.0%	56.1%	11.9%	2.0%
White	42.3%	45.1%	8.4%	4.2%	42.5%	45.6%	10.0%	1.9%	45.7%	43.7%	7.2%	3.4%
Education												
Did not complete high school	32.2%	48.6%	15.1%	4.1%	33.3%	52.9%	9.7%	4.1%	32.9%	51.8%	11.7%	3.6%
Completed high school only	36.4%	45.4%	14.4%	3.8%	33.7%	52.6%	11.9%	1.9%	34.1%	53.3%	10.3%	2.3%
Attended college	46.0%	34.9%	15.0%	4.1%	33.8%	52.3%	13.0%	0.9%	36.2%	54.6%	8.8%	0.3%

CHAPTER VI: PUBLIC ASSISTANCE, CHILD CARE, AND TRANSPORTATION AMONG FAMILIES STILL OFF ON WELFARE

This chapter presents findings on the receipt of public assistance by sample members, as well as data on the use of child care, and transportation issues. Findings on the following specific topics are presented for respondents who were still off welfare at the time of the surveys:

- receipt of public assistance and other sources of support after leaving welfare;
- reasons for not using Food Stamps;
- awareness of benefits available to persons no longer on welfare;
- use of child care;
- receipt of assistance in paying for child care; and
- transportation situation.

Appendix B of the report presents survey data on the receipt of public assistance by all respondents, including persons who had gone back on welfare. Appendix B also compares public assistance among respondents who were still off welfare and those who had returned to welfare. Appendices C and D present administrative records data on the receipt of public assistance by sample members.

A. CHAPTER SUMMARY AND ANALYSIS

Families who leave TANF can continue to make use of a variety of public assistance programs even though they are no longer receiving cash assistance. These programs – such as Food Stamps, Medicaid, SSI, child care assistance, and housing assistance – can provide a partial “safety net” for persons who cannot find stable employment or who are unable to obtain health insurance through an employer. One area for concern, however, is whether welfare leavers are making full use of these public assistance programs if they are eligible, and whether they are actually aware of the available benefits.

Welfare leavers may also rely upon informal sources of financial support from family members or friends. These types of support can help families adjust to life without welfare. However, continued reliance on these private sources of support is a sign that the family has not achieved financial independence.

Continued Use of Food Stamps

In the Round 3 surveys, almost 62 percent of the persons who were still off welfare were living in a Food Stamp household, an increase from 56 percent at Round 2 and 58 percent at Round 1. This Round 3 data may reflect the impact of the 2001 economic downturn. At Round 3, about 86 percent of the time-limited leavers and 66 percent of the sanctioned leavers were on food stamps. This indicates that persons who had left welfare for involuntary reasons were continuing to rely extensively on food stamps.

Of the respondents who were unemployed at Round 3, about 76 percent were receiving food stamps. Of persons living in households with less than \$500 in monthly income, food stamp participation was about 80 percent. Overall, these findings suggest that many persons who

might still have been eligible for food stamps were not participating. Among respondents who were not receiving food stamps, 8 percent said that it was not worth the effort or paperwork, but 62 percent had been told they were no longer eligible due to income or assets.

Overall, 75 percent of the leavers who were still off welfare at Round 3 said they knew that families could continue getting Food Stamps after leaving welfare. The percentage was lowest among persons who left welfare for “other” reasons. About 79 percent of unemployed respondents knew that families could get food stamps after leaving welfare. These findings suggest the need for more education about continued eligibility for food stamp benefits.

Medicaid Participation

About 85 percent of the Round 3 respondents were in a household that was receiving Medicaid benefits. This included 93 percent of the time-limited leavers. However, only 75 percent of the persons who left welfare for “other” reasons were on Medicaid. About 87 percent of persons who were currently unemployed were on Medicaid, as well as 90 percent of those with household incomes below \$1,000 per month. Overall, these percentages suggest that the large majority of leavers who might still be eligible for Medicaid were receiving benefits.

About 70 percent of the Round 3 respondents said they knew that adults who leave welfare for work can still get Medicaid benefits, including only 66 percent of the persons who left welfare for “other” reasons. About 90 percent of unemployed respondents knew that children could continue to get Medicaid after leaving welfare.

The findings suggest that more education may be needed about continued eligibility for Medicaid after families leave welfare. This is especially true for persons who leave welfare for “other” reasons, many of whom may not have the opportunity to be reminded about continuing eligibility for benefits.

Help Paying for Child Care

Of the respondents who had *pre-school* children at Round 3, 59 percent were using child care for these children. Of these, 62 percent were paying for the child care, meaning that almost 37 percent of the respondents with pre-school children were using paid child care. Among those who were paying for child care, 42 percent were receiving assistance from the state. Of those who were not getting help, 17 percent said that they did not know they could get help, and 19 percent did not want to deal with the hassle.

Of the respondents who had *school-age* children at Round 3, about 27 percent were using child care for these children. Of those who were using child care, 51 percent were using paid child care, and 43 percent of these respondents were receiving help from the state in paying for the care.

Overall, 66 percent of the families who were still off welfare at Round 3 said they knew that families who leave welfare for work may be eligible for child care assistance. The percentage was the same for employed and unemployed respondents.

The findings suggest that there is a need for additional education about the availability of subsidized child care benefits for families who have left welfare and for the working poor in general. Some welfare leavers may be limiting their employment options if they are not aware of available child care benefits.

Other Public Assistance Benefits

About 8 percent of the respondents who were still off welfare at Round 3 reported that they or someone in their household were receiving SSI benefits. About 10 percent of the respondents who were unemployed at Round 3 were receiving SSI.

About 18 percent of the respondents were participating in the WIC program at Round 3, and 70 percent had a child enrolled in the school lunch program, including 84 percent of the time-limited leavers. On average, the time-limited leavers had older children than the other leavers.

Almost 28 percent of the Round 3 respondents were living in public housing or subsidized housing, including almost 38 percent of the time-limited leavers.

Child Support

About 33 percent of the Round 3 respondents who were still off welfare reported that they received child support payments. However, no data were collected on the amount of the child support received. Unemployed respondents were no more likely to be getting child support than employed respondents. Overall, the data indicate that a majority of the leavers cannot rely upon child support as a major source of income, but that child support does represent a resource for a third of the leavers.

Support from Family and Friends

About 14 percent of the Round 3 respondents reported that they lived rent-free with family members, including almost 20 percent of the sanctioned leavers and 21 percent of unemployed respondents. About 16 percent of the Round 3 respondents reported that they received gifts of money from family members or friends on a regular basis, including 24 percent of the sanctioned leavers and 23 percent of unemployed respondents. These findings suggest that a small but significant percentage of the leavers were relying on informal sources of support from family members and friends to help them get by in the absence of welfare benefits.

B. PUBLIC ASSISTANCE AND OTHER SOURCES OF SUPPORT AMONG FAMILIES WHO WERE STILL OFF WELFARE

Receipt of Food Stamps and Medicaid, by Reason for Leaving Welfare

- Exhibits VI-1, VI-2, and VI-3 respectively present the survey data on the receipt of public assistance and other sources of support by respondents, by the reason they left welfare.

- The data indicate that, at the time of the Round 3 surveys, almost 62 percent of the respondents were in a household that received Food Stamps. This was an increase from 56 percent at Round 2 and from 58 percent at Round 1. The economic slowdown in 2001 and early 2002 may have been a factor in this situation.
- At Round 3, about 84 percent of the respondents who left welfare due to time limits were in a household that was receiving Food Stamps, compared to 57 percent of the persons who left due to earnings and 53 percent of those who left for “other” reasons.
- At Round 1, about two-thirds of the respondents who left welfare due to sanctions were in households that were receiving Food Stamps at the time of the surveys. This increased slightly to 68 percent at Round 2 and at Round 3.
- Overall, 85 percent of the Round 3 respondents were in households receiving Medicaid benefits, compared to 83 percent at Round 2 and 82 percent at Round 1.
- Almost 93 percent of the respondents who left welfare due to time limits were receiving Medicaid for themselves or a household member at Round 3, about the same as in earlier rounds.
- At Round 3, 87 percent of those respondents who left welfare due to earnings were in a Medicaid household, a slight increase from 86 percent at Round 2 and 85 percent at Round 1.
- Among persons who left due to sanctions, the percent living in a Medicaid household increased from 83 percent at Round 1 to almost 86 percent at Round 2, and declined slightly to 85 percent at Round 3.
- Among respondents who left welfare for “other” reasons, the percent who were receiving Medicaid benefits for themselves or a household member increased from 68 percent at Round 1 to 70 percent at Round 2 and 74 percent at Round 3.
- One explanation for the low rate of Medicaid participation among respondents who left for “other” reasons is that many of these respondents left welfare without informing the local welfare agency of their situation.

**EXHIBIT VI-1
PERCENT OF RESPONDENTS REPORTING THAT THEY OR
SOMEONE IN THEIR HOME WERE RECEIVING SPECIFIC
BENEFITS OR SUPPORT, ROUND 1**

Benefits/Support	Earned Income	Sanctions	Time Limits	Other	Total
Food Stamps	51.1%	66.1%	86.5%	50.2%	57.9%
Medicaid	85.2%	83.2%	92.5%	68.5%	82.3%
Child care assistance	28.6%	7.5%	17.4%	4.1%	18.2%
Child support	27.5%	28.6%	33.6%	27.4%	28.3%
Social Security	7.7%	6.5%	5.0%	8.6%	7.3%
SSI	7.4%	8.6%	9.6%	16.4%	9.8%
Pension income	0.2%	0.0%	0.8%	2.5%	0.7%
WIC	27.2%	23.9%	25.4%	26.2%	26.0%
School lunch	41.7%	47.3%	63.0%	49.6%	46.9%
Summer feeding program for children	0.8%	1.9%	5.3%	2.9%	2.0%
Rent subsidy or public housing	22.9%	24.2%	34.8%	19.8%	23.9%
Free housing from a parent or relative	6.9%	13.6%	7.1%	4.9%	7.8%
Help in paying bills from family or friend living with you	6.5%	8.4%	6.6%	6.8%	6.9%
Help in paying bills from family or friend not living with you	7.5%	16.7%	17.8%	11.5%	11.6%
Gifts of money from family or friends	7.4%	18.4%	17.8%	11.7%	11.6%
Shots or vaccinations from the health department	32.7%	39.8%	45.2%	35.5%	36.0%

**EXHIBIT VI-2
PERCENT OF RESPONDENTS REPORTING THAT THEY OR
SOMEONE IN THEIR HOME WERE RECEIVING SPECIFIC
BENEFITS OR SUPPORT, ROUND 2**

Benefits/Support	Earned Income	Sanctions	Time Limits	Other	Total
Food Stamps	47.9%	68.3%	79.8%	47.4%	55.9%
Medicaid	86.3%	85.8%	90.5%	70.4%	83.4%
Child care assistance	16.0%	8.6%	12.7%	6.0%	12.0%
Child support	32.9%	31.6%	38.1%	22.0%	31.0%
Social Security	6.9%	4.3%	5.5%	8.5%	6.5%
SSI	12.5%	10.3%	15.3%	15.6%	13.0%
Pension income	0.7%	0.2%	0.4%	2.2%	0.9%
WIC	22.9%	22.5%	22.0%	20.9%	22.3%
School lunch	63.2%	63.8%	80.1%	58.2%	64.3%
Summer feeding program for children	5.5%	6.2%	7.3%	7.4%	6.3%
Rent subsidy or public housing	26.9%	28.7%	38.6%	19.8%	27.2%
Free housing from a parent or relative	8.1%	16.6%	13.8%	12.2%	11.4%
Help in paying bills from family or friend living with you	6.6%	11.0%	7.4%	4.7%	7.2%
Help in paying bills from family or friend not living with you	13.0%	20.1%	15.2%	13.1%	14.8%
Gifts of money from family or friends	10.2%	17.2%	16.9%	9.3%	12.3%
Shots or vaccinations from the health department	47.2%	47.7%	53.5%	42.8%	47.2%

**EXHIBIT VI-3
PERCENT OF RESPONDENTS REPORTING THAT THEY OR
SOMEONE IN THEIR HOME WERE RECEIVING SPECIFIC
BENEFITS OR SUPPORT, ROUND 3**

Benefits/Support	Earned Income	Sanctions	Time Limits	Other	Total
Food Stamps	57.2%	68.5%	84.1%	52.9%	61.9%
Medicaid	87.2%	84.9%	92.9%	74.6%	84.9%
Child care assistance	15.4%	7.6%	9.1%	6.3%	11.3%
Child support	34.9%	31.3%	35.6%	28.6%	33.0%
Social Security	11.4%	17.7%	15.7%	19.7%	14.9%
SSI	9.0%	4.2%	5.5%	11.8%	8.2%
Pension income	0.5%	1.2%	0.0%	1.1%	0.7%
WIC	20.4%	17.7%	16.9%	15.5%	18.4%
School lunch	69.8%	69.3%	83.9%	60.1%	69.6%
Summer feeding program for children	7.9%	5.7%	13.0%	4.6%	7.5%
Rent subsidy or public housing	28.2%	27.8%	38.1%	20.6%	27.9%
Free housing from a parent or relative	11.9%	19.9%	14.5%	12.6%	13.9%
Help in paying bills from family or friend living with you	4.9%	10.4%	4.5%	5.5%	6.0%
Help in paying bills from family or friend not living with you	17.9%	16.5%	19.1%	13.7%	16.9%
Gifts of money from family or friends	13.9%	24.1%	20.2%	13.5%	16.5%
Shots or vaccinations from the health department	55.5%	55.8%	62.9%	51.1%	55.6%

Comparisons Between the Survey Data and the Administrative Records Data on Food Stamp and Medicaid Participation

- Administrative records data were compiled on Food Stamp and Medicaid participation among all 1,440 members of the sample (including recidivists) for the full tracking period. The data are not directly comparable to the survey data presented above because the survey data apply only to persons who were still off welfare at the time of the surveys. Appendix C presents the administrative data for each month of the follow-up period.
- Exhibit VI-4 presents the administrative records data on Food Stamp and Medicaid participation among the sample members at 12 months, 24 months, and 36 months after they left welfare. These follow-up periods correspond roughly to the surveys follow-up periods.
- Comparing the administrative records data with the survey data, we find the following:

- Both sets of data show that Food Stamp participation was much higher among time-limited leavers than the other leavers at each follow-up period.
- Both sets of data show that Food Stamp participation is especially low among the earned income leavers and the “other” leavers. For the latter group, the administrative data show somewhat lower rates of participation than the survey data.
- Both sets of data show low rates of Medicaid participation among persons who left welfare for “other” reasons.
- Both sets of data show that time-limited leavers had the highest rates of Medicaid participation.

EXHIBIT VI-4 ADMINISTRATIVE RECORDS DATA AND SURVEY DATA ON FOOD STAMP AND MEDICAID PARTICIPATION*

Status	Earned Income	Sanctions	Time Limits	Other	Total
Administrative Records Data					
Receiving Food Stamps at 12 Months After Leaving Welfare	51.5%	57.1%	84.9%	40.8%	53.7%
Receiving Food Stamps at 24 Months After leaving Welfare	47.8%	61.4%	81.6%	41.3%	52.6%
Receiving Food Stamps at 36 Months After Leaving Welfare	50.0%	59.8%	80.4%	42.2%	53.4%
Receiving Medicaid at 12 Months After Leaving Welfare	89.7%	90.0%	97.8%	72.8%	86.9%
Receiving Medicaid at 24 Months After Leaving Welfare	88.3%	84.3%	94.1%	74.5%	85.0%
Receiving Medicaid at 36 Months After Leaving Welfare	90.1%	85.9%	95.6%	77.7%	87.0%
Survey Data					
Receiving Food Stamps at Round 1	51.1%	66.1%	86.5%	50.2%	57.9%
Receiving Food Stamps at Round 2	47.9%	68.3%	79.8%	47.4%	55.9%
Receiving Food Stamps at Round 3	57.2%	68.5%	84.1%	59.9%	61.9%
Receiving Medicaid at Round 1	85.2%	83.2%	92.5%	68.5%	82.3%
Receiving Medicaid at Round 2	86.3%	85.8%	90.5%	70.4%	83.4%
Receiving Medicaid at Round 3	87.2%	84.9%	92.9%	74.6%	84.9%

* The administrative records data apply to all 1,440 sample members. The survey data apply only to respondents who were still off welfare. Many of the surveys were not conducted exactly 12 months, 24 months, or 36 months after welfare exit.

Receipt of Other Types of Assistance, by Reason for Leaving Welfare

- As indicated above in Exhibits VI-1 to VI-3, the percentage of respondents who reported that they were receiving help with child care payments declined from 18 percent at Round 1 to 12 percent at Round 2 and to 11 percent at Round 3.
- Among respondents who left welfare due to earnings, the percentage receiving help with child care declined from almost 29 percent at Round 1 to 15 percent at Round 3.
- Among persons who left welfare due to “other” reasons, the percentage receiving child care assistance remained very low compared to the other types of leavers. This again may suggest that persons who leave for “other” reasons may not be aware of the range of benefits available to persons who leave welfare. As reported in Chapter III, 56 percent of these respondents were working at the time of the Round 3 surveys.
- At Round 3, only 7.6 percent of the respondents who left welfare due to sanctions were receiving assistance with child care, even though 49 percent of these respondents were working for pay at the time of the Round 3 surveys.
- The percentage of respondents receiving SSI benefits increased from 9.8 percent at Round 1 to 13 percent at Round 2, but declined to 8.2 percent at Round 3.
- The percentage of respondents who reported that they were receiving WIC benefits declined from 26 percent at Round 1 to 22 percent at Round 2 and to 18 percent at Round 3. This probably partly reflects the aging of children in the cases.
- The four strata did not differ greatly in terms of the percentage of respondents enrolled in WIC. Persons who left welfare due to sanctions might be expected to have a higher rate of enrollment in WIC than the other three groups because they were much younger on average.
- The percentage of respondents who had a child enrolled in the school lunch program increased from 47 percent at Round 1 to 64 percent at Round 2 and to almost 70 percent at Round 3. Part of the increase may be due to the aging of children among the sample.
- The percentage of respondents living in subsidized housing or public housing increased from 24 percent at Round 1 to 27 percent at Round 2 and to 28 percent at Round 3.
- At Round 3, about 38 percent of the respondents who left welfare due to time limits were living in public housing or Section 8 housing, compared to less than 21 percent of respondents who left due to “other” reasons.

- The percentage of respondents who were living rent-free with a family member increased from 7.8 percent at Round 1 to 11 percent at Round 2 and to almost 14 percent at Round 3.
- At Round 3, almost 20 percent of the sanctioned respondents were living rent-free with a family member, compared to only 12 percent of the respondents who left welfare due to earnings.
- The percentage of respondents who were receiving help in paying bills unchanged between Round 1 and Round 2.
- The percentage of respondents who were receiving help in paying bills from family or friends increased from 18 percent at Round 1 to 23 percent at Round 3.
- At Round 3, almost 27 percent of the respondents who had left welfare due to sanctions were receiving help from friends or family in paying bills.
- The percentage of respondents who had received vaccinations from the health department increased from 36 percent at Round 1 to 47 percent at Round 2 and to 56 percent at Round 3.

Receipt of Assistance, by Current Employment Status

- Exhibit VI-5 presents Round 3 data on the receipt of public assistance and other sources of support by respondents, by their current employment status.
- The data indicate that 76 percent of the respondents who were not working were living in a household that was receiving Food Stamps, compared to 70 percent at Round 1.
- About 52 percent of those who were working at Round 3 were in a Food Stamp household, compared to 46 percent at Round 2.
- At Round 3, working and non-working respondents did not differ greatly in the percentage living in households receiving Medicaid benefits. This was also true for earlier rounds.
- About 16 percent of working respondents reported that they were receiving assistance with child care at Round 2, compared to 17 percent at Round 2 and 26 percent at Round 1.
- At Round 2, about 33 percent of non-working respondents were receiving child support, compared to 30 percent at Round 1 and Round 2. About 33 percent of the working respondents were receiving child support at Round 2, compared to only 28 percent at Round 1.

**EXHIBIT VI-5
PERCENT OF RESPONDENTS REPORTING THAT THEY OR
SOMEONE IN THEIR HOME WERE RECEIVING SPECIFIC BENEFITS
OR SUPPORT, BY EMPLOYMENT STATUS, ROUND 3**

Benefits/Support	Working	Not Working
Food Stamps	52.2%	75.9%
Medicaid	83.6%	86.8%
Child care assistance	15.8%	4.8%
Child support	33.1%	33.0%
Social Security	10.9%	20.5%
SSI	6.6%	10.5%
Pension income	0.8%	0.6%
WIC	20.9%	14.9%
School lunch	69.9%	69.2%
Summer feeding program for children	7.1%	8.1%
Rent subsidy or public housing	29.2%	26.0%
Free housing from a parent or relative	9.1%	20.8%
Help in paying bills from family or friend living with you	6.9%	4.8%
Help in paying bills from family or friend not living with you	13.2%	22.3%
Gifts of money from family or friends	11.8%	23.3%
Shots or vaccinations from the health department	57.3%	53.2%

- The percentage of working respondents who were living in public or subsidized housing was 29 percent at Round 3, compared to 23 percent at earlier rounds. Among non-working respondents, the percentage increased from 27 percent to 33 percent at Round 2 but declined to 26 percent at Round 3.
- Almost 21 percent of non-working respondents at Round 3 were living rent-free with a family member, compared to 9 percent of working respondents.
- At all rounds of surveys, non-working respondents were about twice as likely as working respondents to be receiving financial help from family or friends.

Receipt of Assistance, by Reported Household Income

- Exhibit VI-6 presents Round 3 data on the receipt of public assistance and other sources of support by respondents, by their reported monthly household income.
- The data show that about 80 percent of the households with monthly income below \$500 were receiving Food Stamps. As expected, Food Stamp participation declined as household income increased.
- Medicaid participation also declined somewhat as household income increased, but not as much as Food Stamp participation.

- Receipt of child support did not vary greatly by income level.
- The percent of respondents receiving SSI was lowest for persons with very small household incomes.
- Participation in the school lunch program was much lower for households with incomes of \$1,500 or more.
- Respondents with household income of less than \$1,000 per month relied relatively heavily on financial support from family and friends.

EXHIBIT VI-6
PERCENT OF RESPONDENTS REPORTING THAT THEY OR SOMEONE IN THEIR HOME WERE RECEIVING SPECIFIC BENEFITS OR SUPPORT, BY REPORTED MONTHLY HOUSEHOLD INCOME

Benefits/Support	Reported Monthly Household Income				
	\$0-\$499 (N = 258)	\$500-\$999 (N = 236)	\$1,000-1,499 (N = 218)	\$1,500-\$1,999 (N = 80)	\$2,000+ (N = 65)
Food Stamps	80.0%	79.6%	44.4%	21.1%	22.2%
Medicaid	88.3%	91.2%	84.4%	71.2%	59.9%
Child care assistance	8.6%	15.6%	11.7%	13.7%	1.6%
Child support	27.9%	39.4%	32.7%	33.4%	24.8%
Social Security	7.7%	23.2%	14.5%	18.3%	10.7%
SSI	4.0%	11.6%	7.8%	7.5%	15.5%
Pension income	0.4%	0.0%	0.5%	1.3%	5.2%
WIC	11.9%	27.2%	20.3%	18.5%	8.9%
School lunch	71.2%	76.6%	69.5%	59.0%	44.2%
Summer feeding program for children	10.8%	5.9%	5.3%	7.0%	7.1%
Rent subsidy or public housing	37.1%	40.8%	17.9%	5.6%	8.5%
Free housing from a parent or relative	17.9%	8.0%	10.2%	9.8%	18.7%
Help in paying bills from family or friend living with you	5.0%	4.2%	6.6%	6.7%	10.4%
Help in paying bills from family or friend not living with you	26.1%	14.5%	14.3%	7.0%	8.9%
Gifts of money from family or friends	27.2%	13.0%	12.0%	10.8%	7.5%
Shots or vaccinations from the health department	54.0%	65.2%	55.1%	46.0%	44.1%

Reasons for Not Being on Food Stamps, by Reason for Leaving Welfare

- For Round 3 respondents who reported that they were *not* receiving Food Stamps, Exhibit VI-7 presents data on the reasons given for not being on Food Stamps.

- About 62 percent indicated that they had been told they were no longer eligible due to income or assets. This compares to 56 percent of the Round 2 respondents who were not on Food Stamps.
- About 4 percent of the respondents who were not on Food Stamps reported that they did not think they were eligible for Food Stamps. This compares to 9 percent at Round 2 and 11 percent of Round 1 respondents. In contrast to Round 1, however, there was not much variation among the four strata on this item at Round 3.
- Almost 13 percent of the respondents who left welfare for “other” reasons and who were not receiving Food Stamps indicated that it was not worth the effort or paperwork to get Food Stamps.

EXHIBIT VI-7 REASONS GIVEN FOR NOT BEING ON FOOD STAMPS, BY REASON FOR LEAVING WELFARE, ROUND 3

Response	Earned Income	Sanctions	Time Limits	Other	Total
Was told I was no longer eligible due to income/assets	71.0%	49.4%	53.0%	52.6%	62.0%
Don't think I'm eligible for benefits	3.3%	5.0%	5.0%	6.1%	4.3%
No longer needed Food Stamps	8.6%	15.2%	10.0%	12.2%	10.6%
It wasn't worth the effort/paperwork	4.9%	9.5%	7.5%	13.4%	7.9%
Application pending	1.6%	5.7%	0.0%	2.4%	2.4%
Have not applied	9.0%	6.9%	13.5%	8.5%	8.8%
Sanctioned/cut off	0.4%	5.7%	3.5%	3.6%	2.2%
Other reason	1.2%	2.5%	7.5%	1.2%	1.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Reasons for Not Being on Food Stamps, by Employment Status

- For Round 3 respondents who reported that they were not receiving Food Stamps, Exhibit VI-8 presents data on the reasons given for not being on Food Stamps, by current employment status.
- Among those who were not working, 42 percent said they had been told they were no longer eligible. A possible reason for this is that the household was ineligible due to the income of another household member.
- Only 4 percent of the non-working respondents who were not participating in Food Stamps thought they would not be eligible – down from 12 percent at Round 1 and Round 2.

- About 10 percent of the non-working respondents stated that it was not worth the effort, a decline from 15 percent at Round 2 and 25 percent at Round 1.

EXHIBIT VI-8 REASONS GIVEN FOR NOT BEING ON FOOD STAMPS, BY CURRENT EMPLOYMENT STATUS

Response	Working	Not Working
Was told I was no longer eligible due to income/assets	69.2%	41.6%
Don't think I'm eligible for benefits	4.5%	3.9%
No longer needed Food Stamps	10.6%	10.5%
It wasn't worth the effort or paperwork	7.1%	10.0%
Application pending	1.2%	5.7%
Have not applied	5.1%	19.3%
Sanctioned/cut off	1.6%	4.0%
Other reason	0.6%	5.1%
Total	100.0%	100.0%

Knowledge of Benefit Programs, by Reason for Leaving Welfare

- Exhibit VI-9 presents data on respondents' knowledge about benefit programs potentially available for families that leave welfare.
- Overall, 75 percent of the Round 3 respondents said they knew that families could get Food Stamps after leaving welfare.
- At Round 3, only 68 percent of the respondents who left welfare for "other" reasons knew that families could get Food Stamps after leaving welfare.
- At Round 3, almost 90 percent of the respondents knew that children may continue to get Medicaid after families leaving welfare. Among the respondents who left welfare for "other" reasons, the percentage increased from 69 percent to 72 percent.
- About 66 percent of the Round 3 respondents knew that families could get help paying for child care after leaving welfare.

**EXHIBIT VI-9
KNOWLEDGE OF BENEFITS AVAILABLE TO PERSONS WHO HAVE
LEFT WELFARE, BY REASON FOR LEAVING WELFARE**

	Round 1				
Response	Earned Income	Sanctions	Time Limits	Other	Total
Know that families can get Food Stamps after leaving welfare	75.4%	75.1%	87.8%	60.1%	73.4%
Know that children may continue to get Medicaid after leaving welfare	85.3%	78.9%	87.8%	69.0%	80.8%
Know that adults who leave welfare for work may continue to get Medicaid	70.7%	42.2%	74.9%	43.1%	59.7%
Know that I can get assistance paying for child care if I leave welfare for work	74.2%	54.3%	74.7%	49.9%	65.2%
	Round 2				
Reason	Earned Income	Sanctions	Time Limits	Other	Total
Know that families can get Food Stamps after leaving welfare	55.0%	66.4%	79.1%	54.4%	60.2%
Know that children may continue to get Medicaid after leaving welfare	78.8%	80.8%	87.0%	72.4%	78.9%
Know that adults who leave welfare for work may continue to get Medicaid	62.1%	66.1%	79.3%	51.9%	62.9%
Know that I can get assistance paying for child care if I leave welfare for work	66.8%	64.2%	70.6%	56.5%	64.6%
	Round 3				
Reason	Earned Income	Sanctions	Time Limits	Other	Total
Know that families can get Food Stamps after leaving welfare	73.1%	77.1%	86.3%	68.3%	74.6%
Know that children may continue to get Medicaid after leaving welfare	89.8%	90.2%	90.4%	88.0%	89.6%
Know that adults who leave welfare for work may continue to get Medicaid	72.6%	64.9%	73.6%	66.2%	70.0%
Know that I can get assistance paying for child care if I leave welfare for work	67.2%	64.8%	71.1%	63.7%	66.5%

Knowledge of Benefit Programs, by Current Employment Status

- Exhibit VI-10 presents Round 3 data on respondents’ knowledge about benefit programs, by current employment status.
- As indicated in the exhibit, employment status did not have a major impact upon respondents’ knowledge of benefit programs.

**EXHIBIT VI-10
KNOWLEDGE OF BENEFITS AVAILABLE TO PERSONS WHO HAVE
LEFT WELFARE, BY EMPLOYMENT STATUS, ROUND 3**

Response	Working	Not Working
Know that I can get Food Stamps after leaving welfare	71.4%	79.2%
Know that children may continue to get Medicaid after leaving welfare	89.4%	89.9%
Know that adults who leave welfare for work may continue to get Medicaid	72.5%	66.4%
Know that I can get assistance paying for child care if I leave welfare for work	66.3%	66.8%

C. CHILD CARE USE AND PAYMENTS AMONG RESPONDENTS STILL OFF WELFARE

Number of Pre-School and School-Age Children, by Reason for Leaving Welfare

- Exhibit VI-11 presents data on the number of pre-school children in the respondents’ families, by the reason for leaving welfare. As indicated, 62 percent of the Round 3 respondents had no pre-school children, an increase from 54 percent at Round 1.
- At Round 3, about 66 percent of the respondents who left welfare due to time limits had no pre-school children, compared to only 57 percent of those who left due to sanctions. This pattern is presumably due to the fact that the respondents who left due to time limits were generally older than other respondents.
- Exhibit VI-12 shows the percentage of respondents who had school-age children, by reason for leaving welfare. The data indicate that the percentage of respondents with school-age children increased slightly from 77 percent at Round 1 to 85 percent at Round 3.
- About 93 percent of the Round 3 respondents who left welfare due to time limits had school-age children.

**EXHIBIT VI-11
PERCENTAGE OF RESPONDENTS WITH PRE-SCHOOL CHILDREN,
BY REASON FOR LEAVING WELFARE**

Round 1					
Number of Pre-School Children	Earned Income	Sanctions	Time Limits	Other	Total
None	49.6%	53.0%	59.0%	57.3%	53.6%
One	33.8%	33.2%	30.5%	30.5%	32.7%
Two	12.5%	10.6%	9.1%	9.1%	11.1%
Three +	3.8%	3.5%	0.2%	2.9%	2.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 2					
Number of Pre-School Children	Earned Income	Sanctions	Time Limits	Other	Total
None	52.4%	54.5%	58.2%	61.2%	55.4%
One	33.0%	29.7%	30.0%	25.4%	30.4%
Two	13.0%	12.0%	9.7%	10.2%	11.8%
Three +	1.6%	3.8%	2.1%	3.3%	2.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 3					
Number of Pre-School Children	Earned Income	Sanctions	Time Limits	Other	Total
None	61.4%	57.0%	65.6%	64.7%	61.8%
One	27.9%	28.7%	25.5%	22.7%	26.7%
Two	7.9%	11.1%	7.6%	9.5%	8.8%
Three +	2.8%	3.2%	1.4%	3.1%	2.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

**EXHIBIT VI-12
PERCENTAGE OF RESPONDENTS WITH SCHOOL-AGE CHILDREN,
BY REASON FOR LEAVING WELFARE**

Round 1					
Number of School-Age Children	Earned Income	Sanctions	Time Limits	Other	Total
None	22.8%	31.4%	7.4%	22.0%	22.5%
One	33.0%	27.9%	23.5%	28.1%	29.8%
Two	27.0%	23.7%	28.9%	27.7%	26.9%
Three +	16.1%	17.0%	40.2%	22.0%	20.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 2					
Number of School-Age Children	Earned Income	Sanctions	Time Limits	Other	Total
None	19.8%	25.4%	8.6%	28.3%	21.4%
One	36.4%	31.6%	24.9%	26.9%	32.1%
Two	26.2%	27.6%	27.3%	24.7%	26.3%
Three +	17.5%	15.4%	39.2%	20.1%	20.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 3					
Number of School-Age Children	Earned Income	Sanctions	Time Limits	Other	Total
None	12.6%	19.9%	4.8%	23.3%	15.2%
One	40.9%	34.4%	28.1%	29.2%	35.6%
Two	30.2%	28.7%	29.2%	26.9%	29.1%
Three +	16.3%	17.0%	38.1%	20.6%	20.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Child Care for School-Age Children

- Exhibit VI-13 presents data on the percentage of respondents who reported that they used before-school or after-school child care for their school-age children.
- As shown in the exhibit, 27 percent of all Round 3 respondents with school-age children reported that they used before-school or after-school child care, a slight increase from Round 1.
- At all rounds, the percentage was highest among those who left welfare due to earnings, partly reflecting the different rates of employment among these groups.

**EXHIBIT VI-13
RESPONDENTS WITH SCHOOL-AGE CHILDREN – PERCENT USING
BEFORE-SCHOOL OR AFTER-SCHOOL CARE FOR THEIR
SCHOOL-AGE CHILDREN**

	Round 1				
Use Before- or After-School Care?	Earned Income (N = 196)	Sanctions (N = 161)	Time Limits (N = 266)	Other (N = 180)	Total (N = 803)
Yes	34.7%	12.3%	29.0%	13.5%	25.5%
No	65.3%	87.7%	71.0%	86.5%	74.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 2				
Use Before- or After-School Care?	Earned Income (N = 189)	Sanctions (N = 179)	Time Limits (N = 253)	Other (N = 155)	Total (N = 743)
Yes	28.1%	12.9%	22.4%	20.0%	22.8%
No	71.9%	87.1%	77.6%	80.0%	77.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 3				
Use Before- or After-School Care?	Earned Income (N = 204)	Sanctions (N = 165)	Time Limits (N = 274)	Other (N = 158)	Total (N = 771)
Yes	31.1%	25.4%	26.5%	18.7%	27.1%
No	68.9%	74.6%	73.5%	81.3%	72.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Child Care for School-Age Children, by Employment Status

- Exhibit VI-14 presents data on the percentage of Round 3 respondents who reported that they used before-school or after-school child care for their school-age children, by employment status.
- The data show that 35 percent of employed respondents were using child care for their school age children, about the same as at Round 1.

**EXHIBIT VI-14
PERCENTAGE OF RESPONDENTS USING BEFORE-SCHOOL OR
AFTER-SCHOOL CARE FOR THEIR SCHOOL-AGE CHILDREN,
BY EMPLOYMENT STATUS, ROUND 3**

Use Before-School or After-School Care?	Working	Not Working
Yes	35.5%	14.5%
No	64.5%	85.5%
Total	100.0%	100.0%

Type of Child Care Provider for School-Age Children

- Exhibit VI-15 shows the type of provider being used by Round 3 respondents who were using child care for their school-age children.
- The data show that about 31 percent were using “informal” child care provided by a friend or relative, a decline from 36 percent at Round 2 and 42 percent at Round 1. About 49 percent of the respondents who left welfare for “other” reasons were using informal care, down from 64 percent at Round 1.
- At Round 3, 26 percent were using a child care center, up from 26 percent at Round 2 but a decline from 34 percent at Round 1.

EXHIBIT VI-15

TYPE OF PROVIDER USED BY RESPONDENTS WHO WERE USING BEFORE-OR-AFTER CARE FOR THEIR SCHOOL-AGE CHILDREN, BY REASON FOR LEAVING WELFARE, ROUND 3

Type of Provider	Earned Income	Sanctions	Time Limits	Other	Total
School	39.3%	44.1%	39.3%	25.3%	38.3%
Friend	3.9%	4.8%	1.2%	4.0%	3.7%
Relative	25.8%	22.6%	26.1%	45.3%	27.8%
Child care center	25.8%	25.5%	28.6%	24.0%	26.0%
Family day care	0.0%	0.0%	3.1%	0.0%	0.5%
Church	2.6%	0.0%	0.0%	1.3%	1.6%
Community group	6.5%	3.0%	1.6%	0.0%	4.4%
Other	0.0%	3.0%	0.0%	0.0%	0.5%

Payment for School-Age Child Care

- Exhibit VI-16 shows that 51 percent of the Round 3 respondents who were using school-age child care were paying for the child care provided for their school-age children. This was down from 61 percent at Round 2.
- At each round, persons who had left welfare due to earnings or “other” reasons were more likely to be paying for child care than other respondents.

**EXHIBIT VI-16
RESPONDENTS WHO WERE USING BEFORE-OR-AFTER CARE FOR
THEIR SCHOOL-AGE CHILDREN – PERCENT WHO WERE PAYING
FOR THE CARE, BY REASON FOR LEAVING WELFARE**

Round 1					
Pay for the Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	66.3%	50.1%	55.0%	64.5%	62.3%
No	35.5%	49.9%	45.0%	35.5%	37.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 2					
Pay for the Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	64.2%	59.0%	49.1%	56.3%	60.6%
No	35.8%	41.0%	50.9%	43.7%	39.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 3					
Pay for the Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	60.7%	41.3%	38.4%	37.3%	51.3%
No	39.3%	58.7%	61.6%	62.7%	48.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Help in Paying for School-Age Child Care

- Exhibit VI-17 indicates that, of those Round 3 respondents who were paying for school-age child care, 43 percent were receiving help with the payments from the state. This was a decline from 52 percent at Round 2 and 60 percent at Round 1.
- However, among respondents who left welfare for “other” reasons, the percentage getting help increased from 7 percent at Round 1 to 28 percent at Round 2 and to 54 percent at Round 3. It should be noted that these percentages are based on small numbers of respondents who were paying for child care for their school-age children.
- At Round 3, persons who had left welfare due to sanctions were the least likely to be getting help paying for their school-age child care.
- For those respondents who were paying for school-age child care but not getting help, Exhibit VI-18 shows the reasons given for not getting assistance.
- At Round 3, about 37 percent indicated that they had applied but been found ineligible.
- Almost 33 percent of the Round 3 respondents who were paying for child care but not receiving help said that they did not know they could get help.

**EXHIBIT VI-17
RESPONDENTS WHO WERE PAYING FOR BEFORE-OR-AFTER CARE
FOR THEIR SCHOOL-AGE CHILDREN – PERCENT WHO WERE
RECEIVING HELP FROM THE STATE IN PAYING FOR CARE**

Round 1					
Receive Help in Paying for Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	75.2%	12.5%	60.8%	7.5%	60.0%
No	24.8%	87.5%	39.2%	92.5%	40.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 2					
Receive Help in Paying for Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	61.8%	28.6%	64.3%	27.8%	52.4%
No	38.2%	71.4%	35.7%	62.2%	47.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 3					
Receive Help in Paying for Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	43.6%	23.8%	51.6%	53.6%	42.7%
No	56.4%	76.2%	48.4%	46.4%	57.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

**EXHIBIT VI-18
RESPONDENTS WHO WERE PAYING FOR BEFORE-OR-AFTER CARE
FOR THEIR SCHOOL-AGE CHILDREN BUT WERE NOT RECEIVING
HELP – REASONS FOR NOT GETTING HELP**

Reasons for Not Getting Help	Round 1	Round 2	Round 3
Did not know I could get help	13.1%	15.8%	32.7%
Applied but was told I was not eligible	28.7%	40.4%	37.5%
Do not want the hassle	15.8%	20.3%	12.5%
Provider does not want to meet requirements	5.2%	6.4%	0.0%
Recently applied/waiting to hear	6.3%	6.2%	0.0%
Do not need help	3.2%	2.2%	6.9%
Don't know	18.3%	11.3%	8.7%
Other	2.2%	2.9%	0.0%

Child Care for Pre-School Children

- Exhibit VI-19 shows that 61 percent of the Round 3 respondents with pre-school children were using child care, a slight decline from 62 percent at Round 1.
- Respondents who left welfare due to earnings were more likely than other respondents to be using child care for their pre-school children.

**EXHIBIT VI-19
PERCENTAGE OF RESPONDENTS USING CHILD CARE FOR THEIR
PRE-SCHOOL CHILDREN, BY REASON FOR LEAVING WELFARE**

Round 1					
Use Child Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	72.8%	50.5%	57.4%	49.8%	62.4%
No	27.2%	49.5%	42.6%	50.2%	37.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 2					
Use Child Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	65.0%	53.2%	51.0%	54.2%	59.0%
No	35.0%	46.8%	49.0%	45.8%	41.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 3					
Use Child Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	69.7%	48.6%	45.5%	62.2%	61.0%
No	30.3%	51.4%	54.5%	37.8%	39.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Child Care for Pre-School Children, by Employment Status

- Exhibit VI-20 shows that, at Round 3, about 81 percent of the employed respondents with pre-school children were using child care. Almost 30 percent of non-working respondents with pre-school children were using child care.

**EXHIBIT VI-20
PERCENTAGE OF RESPONDENTS USING CHILD CARE FOR THEIR
PRE-SCHOOL CHILDREN, BY EMPLOYMENT STATUS, ROUND 3**

Use Child Care?	Working	Not Working
Yes	81.2%	29.6%
No	18.8%	70.4%
Total	100.0%	100.0%

Type of Provider for Pre-School Child Care

- For Round 3 respondents who were using child care for their pre-school children, Exhibit VI-21 shows the type of provider being used. As indicated, about 44 percent of the respondents were using a child care center, about the same as at Round 1. Almost 49 percent of those who left welfare due to earnings were using a child care center, down from 56 percent at Round 1.

- Overall, 36 percent of Round 3 respondents were using informal child care through a friend or relative, a decline from 47 percent at Round 2 and 49 percent at Round 1.
- At Round 3, about 32 percent of those who had left welfare due to sanctions were using informal child care, compared to 71 percent at Round 1.
- About 47 percent of those who had left for “other” reasons, down from 61 percent at Round 1.
- At Round 3, only 32 percent of those who had left due to earnings were using informal child care, down from 49 percent at Round 1.

EXHIBIT VI-21
TYPE OF PROVIDER USED BY RESPONDENTS WHO WERE USING
CHILD CARE FOR THEIR PRE-SCHOOL CHILDREN,
BY REASON FOR LEAVING WELFARE, ROUND 3

Type of Provider	Earned Income	Sanctions	Time Limits	Other	Total
School	9.1%	14.3%	5.1%	7.8%	9.4%
Friend	2.0%	4.7%	4.5%	13.9%	4.9%
Relative	30.5%	27.7%	53.3%	27.8%	31.5%
Child care center	48.7%	41.0%	19.3%	43.5%	43.8%
Family or group day care	3.9%	1.8%	7.6%	3.5%	3.8%
Head Start	5.9%	10.4%	10.2%	4.3%	6.7%
Other	0.0%	0.0%	2.5%	2.6%	0.7%

Number of Children Usually in the Child’s Room or Group (Formal Care)

- For respondents who were using formal child care for their pre-school child(ren), Exhibit VI-22 shows the number of children usually in the child’s room or group.
- As indicated in the exhibit, about 6 percent of the Round 3 respondents reported that their child’s room or group involved 5 or fewer children. This was an decrease from 11 percent at Round 2 but an increase from 6 percent at Round 1.
- At Round 3, about 19 percent of the respondents who were using formal child care for their pre-school children reported that the child's room or group involved 20 or more children. This compares to only 15 percent of respondents at Round 1.

**EXHIBIT VI-22
RESPONDENTS WHO WERE USING FORMAL CHILD CARE FOR
THEIR PRE-SCHOOL CHILDREN – NUMBER OF CHILDREN
USUALLY IN THE CHILD’S ROOM OR GROUP***

Round 1					
Number of Children	Earned Income	Sanctions	Time Limits	Other	Total
5 or less	3.6%	27.8%	11.7%	2.2%	6.2%
6-10	40.2%	25.1%	32.5%	45.7%	38.9%
11-19	40.8%	19.4%	40.3%	45.6%	39.5%
20+	15.3%	27.8%	15.6%	6.5%	15.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 2					
Number of Children	Earned Income	Sanctions	Time Limits	Other	Total
5 or less	6.9%	20.7%	11.4%	14.1%	10.7%
6-10	38.1%	36.6%	23.7%	32.9%	37.8%
11-19	41.4%	17.4%	35.0%	46.9%	35.7%
20+	13.8%	25.4%	29.7%	6.2%	15.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 3					
Number of Children	Earned Income	Sanctions	Time Limits	Other	Total
5 or less	2.8%	7.0%	5.7%	16.9%	6.3%
6-10	39.2%	28.2%	21.5%	33.8%	35.3%
11-19	36.5%	53.6%	36.4%	36.6%	39.5%
20+	21.5%	11.2%	36.4%	12.6%	19.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

* Formal child care is care provided by someone other than a friend or relative

Ratio of Adults to Children in Formal Pre-School Child Care

- For respondents who were using formal child care for their pre-school child(ren), Exhibit VI-23 shows the ratio of adults to children in the child’s room or group.
- The data show that 5 percent of Round 3 respondents reported that the ratio was more than 10-to-1, compared to 7 percent at Round 1.
- Almost 55 percent of the Round 3 respondents reported a ratio of 5-to-1 or less

**EXHIBIT VI-23
RESPONDENTS WHO WERE USING FORMAL CHILD CARE FOR
THEIR PRE-SCHOOL CHILDREN – RATIO OF CHILDREN TO ADULTS
IN THE CHILD’S ROOM OR GROUP***

	Round 1				
Ratio of Children to Adults	Earned Income	Sanctions	Time Limits	Other	Total
5:1 or less	51.1%	72.2%	56.5%	56.5%	54.0%
6:1 to 10:1	40.9%	25.1%	35.7%	36.9%	38.7%
More than 10:1	7.9%	2.7%	7.8%	6.5%	7.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 2				
Ratio of Children to Adults	Earned Income	Sanctions	Time Limits	Other	Total
5:1 or less	50.0%	50.9%	45.8%	59.4%	51.3%
6:1 to 10:1	46.1%	49.1%	46.6%	40.6%	45.7%
More than 10:1	3.9%	0.0%	7.6%	0.0%	3.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 3				
Ratio of Children to Adults	Earned Income	Sanctions	Time Limits	Other	Total
5:1 or less	59.8%	40.7%	52.2%	53.5%	54.9%
6:1 to 10:1	37.4%	55.0%	36.4%	36.6%	40.2%
More than 10:1	2.8%	4.2%	11.4%	9.9%	4.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

* Formal child care is care provided by someone other than a friend or relative

Informal Pre-School Child Care

- For respondents who were using informal child care for their pre-school child(ren), Exhibit VI-24 shows the number of children usually in the child care arrangement.
- As indicated in the exhibit, about 36 percent of the Round 3 respondents who used informal pre-school child care reported that three or more children were in the child care arrangement. This was an increase from 29 percent at Round 2.
- Exhibit VI-25 shows the ratio of adults to children in the child care arrangements of respondents who used informal pre-school child care.
- As indicated, virtually none of the Round 3 respondents reported that their children were in arrangements involving more than five children per adult.

**EXHIBIT VI-24
RESPONDENTS WHO WERE USING INFORMAL CHILD CARE FOR
THEIR PRE-SCHOOL CHILDREN – NUMBER OF CHILDREN
USUALLY CARED FOR IN THE CHILD CARE ARRANGEMENT***

	Round 1				
Number of Children	Earned Income	Sanctions	Time Limits	Other	Total
1	43.8%	55.7%	22.8%	17.8%	39.5%
2	27.6%	22.8%	29.0%	48.0%	30.3%
3+	28.7%	21.5%	48.1%	34.3%	30.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 2				
Number of Children	Earned Income	Sanctions	Time Limits	Other	Total
1	35.5%	44.9%	42.5%	42.3%	39.5%
2	31.5%	38.4%	16.5%	30.8%	31.4%
3+	33.0%	16.7%	41.0%	26.9%	29.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 3				
Number of Children	Earned Income	Sanctions	Time Limits	Other	Total
1	37.8%	50.0%	44.7%	33.3%	39.7%
2	30.1%	11.7%	21.0%	20.0%	24.0%
3+	32.1%	38.3%	34.3%	46.7%	36.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

* Informal child care is care provided by a friend or relative

**EXHIBIT VI-25
RESPONDENTS WHO WERE USING INFORMAL CHILD CARE FOR
THEIR PRE-SCHOOL CHILDREN – RATIO OF CHILDREN TO ADULTS
IN THE CHILD CARE ARRANGEMENT***

	Round 1				
Ratio of Children to Adults	Earned Income	Sanctions	Time Limits	Other	Total
1:1 or less	50.7%	61.9%	25.9%	30.1%	46.9%
1:1 to 5:1	38.9%	34.0%	71.0%	64.4%	45.9%
More than 5:1	10.4%	3.1%	3.1%	5.5%	7.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 2				
Ratio of Children to Adults	Earned Income	Sanctions	Time Limits	Other	Total
1:1 or less	43.4%	44.9%	48.0%	53.9%	45.9%
1:1 to 5:1	56.6%	55.1%	52.0%	46.1%	54.1%
More than 5:1	0.0%	0.0%	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 3				
Ratio of Children to Adults	Earned Income	Sanctions	Time Limits	Other	Total
1:1 or less	37.8%	50.0%	44.7%	33.3%	39.7%
1:1 to 5:1	62.2%	50.0%	53.5%	66.7%	60.1%
More than 5:1	0.0%	0.0%	1.7%	0.0%	0.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

* Informal child care is care provided by a friend or relative

Paying for Pre-School Child Care

- For respondents who were using pre-school child care, Exhibit VI-26 shows the percent who were paying for the care.
- As indicated, the percent who were paying for care dropped from 64 percent at Round 1 to 62 percent at Round 2 to 61 percent at Round 3.
- At each round, relatively few of the respondents who had left welfare due to sanctions were paying for the care.
- For those who were paying for pre-school child care, Exhibit VI-27 shows the percentage who were receiving help.
- As indicated, the percent of respondents who said that they were receiving help paying for child care declined from 57 percent at Round 1 to 42 percent at Round 2, but increased to 48 percent at Round 3.
- Respondents who had left welfare due to “other” reasons were less likely to be receiving help paying for care than other respondents.

- For those who were paying for pre-school child care but not receiving help, Exhibit VI-28 shows the reasons given for not receiving help. As indicated, 17 percent of the Round 3 respondents reported that they did not know they could get help. This was a decline from 25 percent at Round 1.

EXHIBIT VI-26
RESPONDENTS WHO WERE USING CHILD CARE FOR THEIR PRE-SCHOOL CHILDREN – PERCENT WHO WERE PAYING FOR THE CARE, BY REASON FOR LEAVING WELFARE

	Round 1				
Pay for the Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	67.9%	46.7%	68.9%	67.2%	64.5%
No	33.5%	54.0%	32.8%	32.8%	36.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 2				
Pay for the Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	68.5%	39.0%	46.9%	75.0%	61.8%
No	31.5%	61.0%	53.1%	25.0%	38.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 3				
Pay for the Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	66.3%	45.7%	47.1%	64.3%	60.8%
No	33.7%	54.3%	52.9%	35.7%	39.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

EXHIBIT VI-27
RESPONDENTS WHO WERE PAYING FOR CHILD CARE FOR THEIR PRE-SCHOOL CHILDREN – PERCENT WHO WERE RECEIVING HELP IN PAYING, BY REASON FOR LEAVING WELFARE

Round 1					
Receive Help in Paying for Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	76.7%	21.8%	57.0%	10.7%	57.0%
No	23.3%	78.2%	43.0%	89.3%	43.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 2					
Receive Help in Paying for Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	46.6%	36.3%	66.1%	23.8%	42.4%
No	53.4%	63.7%	33.9%	76.2%	57.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Round 3					
Receive Help in Paying for Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	50.9%	48.0%	50.5%	37.9%	47.9%
No	49.1%	52.0%	49.5%	62.1%	52.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

EXHIBIT VI-28
RESPONDENTS WHO WERE PAYING FOR CHILD CARE FOR THEIR PRE-SCHOOL CHILDREN BUT WERE NOT RECEIVING HELP – REASONS FOR NOT GETTING HELP

Reasons for Not Getting Help	Round 1	Round 2	Round 3
Did not know I could get help	25.0%	19.0%	16.9%
Applied but was told I was not eligible	30.3%	36.2%	42.5%
Do not want the hassle	10.6%	24.5%	19.5%
Provider does not want to meet requirements	6.4%	0.5%	4.9%
Recently applied/waiting to hear	2.3%	7.2%	7.6%
Do not need help	5.1%	2.4%	2.2%
Don't know	20.7%	11.6%	3.0%
Other	1.4%	1.0%	3.4%

Payment for Child Care Among All Respondents

- For respondents who were using child care for *either* pre-school *or* school-age children, Exhibit VI-29 shows the percentage who were paying for the child care.
- The data indicate that almost 57 percent of the Round 3 respondents who were using child care for their pre-school or school-age children were paying for the child care. This was about a decline from 61 percent at Round 1.

- In all rounds, respondents who had left welfare due to earnings or for “other” reasons were more likely than other respondents to be paying for their child care.
- For respondents who were paying for child care for either their pre-school or their school-age children, Exhibit VI-30 shows the percentage who were receiving help paying for the care.
- The data show that the percentage declined from 58 percent at Round 1 to 43 percent at Round 2 and to 40 percent at Round 3.

EXHIBIT VI-29
RESPONDENTS WHO WERE USING CHILD CARE FOR THEIR PRE-SCHOOL OR SCHOOL-AGE CHILDREN – PERCENT WHO WERE PAYING FOR THE CARE, BY REASON FOR LEAVING WELFARE

	Round 1				
Pay for the Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	64.0%	48.0%	57.5%	63.7%	60.8%
No	36.0%	52.0%	42.5%	36.3%	39.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 2				
Pay for the Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	65.4%	43.5%	48.2%	64.8%	59.7%
No	34.6%	56.5%	51.8%	35.2%	40.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 3				
Pay for the Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	64.2%	41.7%	43.0%	56.6%	56.7%
No	35.8%	58.3%	57.0%	43.4%	43.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

**EXHIBIT VI-30
RESPONDENTS WHO WERE PAYING FOR CHILD CARE FOR THEIR
PRE-SCHOOL OR SCHOOL-AGE CHILDREN – PERCENT WHO WERE
RECEIVING HELP IN PAYING, BY REASON FOR LEAVING WELFARE**

	Round 1				
Receive Help in Paying for Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	62.7%	18.7%	52.1%	9.9%	57.9%
No	32.3%	81.3%	47.9%	90.1%	42.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 2				
Receive Help in Paying for Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	48.7%	31.5%	61.6%	25.9%	43.5%
No	51.3%	68.5%	38.4%	74.1%	56.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 3				
Receive Help in Paying for Care?	Earned Income	Sanctions	Time Limits	Other	Total
Yes	41.4%	31.5%	49.4%	39.6%	40.5%
No	58.6%	68.5%	50.6%	60.4%	59.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

D. TRANSPORTATION AMONG RESPONDENTS STILL OFF WELFARE

Type of Transportation Used by Respondents

- Exhibit VI-31 shows the types of transportation used by respondents who were still off welfare.
- The data show that the percent who used their own vehicles to get around increased from 38 percent at Round 1 to almost 47 percent at Round 2 and declined slightly to 46 percent at Round 3.
- At each round, respondents who had left welfare due to earnings or for “other” reasons were much more likely than other respondents to have their own vehicles.
- The percentage of respondents who had to rely on rides declined from 40 percent at Round 1 to 34 percent at Round 2 but increased slightly to 38 percent at Round 3.

**EXHIBIT VI-31
TYPE OF TRANSPORTATION USED BY RESPONDENTS
– BY REASON FOR LEAVING WELFARE**

Round 1					
How Do You Get Around?	Earned Income	Sanctions	Time Limits	Other	Total
Use own vehicle	47.8%	22.3%	19.1%	42.3%	38.3%
Ride with a relative, friend, neighbor	33.4%	55.7%	48.0%	36.9%	40.3%
Borrow vehicle	4.8%	7.0%	7.0%	8.8%	6.3%
Bus	9.9%	13.7%	15.2%	8.5%	11.0%
Taxi	2.6%	6.5%	9.5%	4.7%	4.6%
Walk	5.3%	5.7%	8.2%	5.4%	5.8%
County van	1.1%	0.0%	0.8%	1.0%	0.8%
Round 2					
How Do You Get Around?	Earned Income	Sanctions	Time Limits	Other	Total
Use own vehicle	57.4%	32.1%	26.3%	49.7%	46.7%
Ride with a relative, friend, neighbor	27.6%	44.9%	43.7%	33.4%	34.4%
Borrow vehicle	8.0%	11.2%	7.8%	6.7%	8.4%
Bus	6.7%	9.4%	17.1%	6.5%	8.5%
Taxi	2.8%	6.2%	9.0%	4.5%	4.6%
Walk	4.7%	5.5%	5.5%	5.3%	5.1%
County van	0.5%	0.0%	0.4%	0.0%	0.3%
Round 3					
How Do You Get Around?	Earned Income	Sanctions	Time Limits	Other	Total
Use own vehicle	54.2%	36.7%	28.1%	47.7%	46.2%
Ride with a relative, friend, neighbor	33.0%	44.2%	46.0%	39.3%	38.1%
Borrow vehicle	5.4%	6.8%	9.3%	6.3%	6.4%
Bus	10.8%	12.9%	17.5%	8.4%	11.6%
Taxi	7.4%	9.8%	10.0%	7.4%	8.2%
Walk	5.4%	4.4%	6.0%	4.0%	5.0%
County van	0.7%	0.6%	1.4%	0.8%	0.8%
Ride bicycle	0.2%	0.0%	0.0%	0.0%	0.1%

CHAPTER VII: WELFARE RECIDIVISM

This chapter presents findings on the sample members who reported that they were back on TANF at the time of the surveys. *These respondents were not necessarily off welfare for the entire follow-up period.*

Respondents who were back on TANF were asked a limited set of questions about their current situation. They were not asked any of the questions about adverse events, child outcomes, or perceptions of life after welfare. Given the small number of recidivists, we present only a limited analysis of their characteristics and situation.

A. CHAPTER SUMMARY AND ANALYSIS

Information on welfare recidivism can help highlight whether families who leave welfare are successful in staying off the welfare rolls. The information is also helpful in identifying subgroups of welfare leavers who are at risk of returning to welfare.

It should be noted that families who leave welfare due to time limits may not have the option of returning to welfare within a specific time frame. Sanctioned welfare leavers may also not have the option of returning if they are unwilling to comply with work requirements and other program rules. The low welfare benefits in South Carolina may also have an impact upon recidivism rates.

Overall, relatively few of the welfare leavers returned to TANF during the tracking period. At Round 1, only 6.7 percent of the survey respondents were back on welfare. At Round 2, this percentage had declined to 5.8 percent. However, the percentage increased to 8.1 percent at Round 3.

Welfare recidivism at Round 3 was highest among persons who had left welfare due to sanction (12 percent) even though less than 5 percent of the sanctioned leavers were back on welfare at Round 2. These data suggest that families who leave welfare due to sanctions may be somewhat vulnerable in the event of an economic downturn. Recidivism rates did not vary greatly by ethnicity or education, but was somewhat higher among younger leavers than older leavers.

Among those who were back on welfare at Round 3, the most common reason given for going back was being laid off from a job (33 percent). The next most common reason was illness or disability (19 percent). Very few recidivists mentioned child care or transportation as reasons for going back. Among the recidivists, the most common perceived barriers to leaving welfare were lack of education, not being able to find a job that paid enough, and disability or illness. These findings suggest that the problem of welfare leavers returning to welfare in South Carolina cannot be resolved simply by providing assistance in such areas as child care and transportation.

B. RECIDIVISM RATES BY RESPONDENT CHARACTERISTICS

Recidivism Rates by Reason for Leaving Welfare

- Exhibit VII-1 shows the recidivism rates among the sample by the reason for leaving welfare.
- As shown in the exhibit, the percent of respondents who were back on TANF declined from 6.7 percent at Round 1 to 5.8 percent at Round 2, but increased to 8.1 percent at Round 3.
- At Round 3, respondents who had left welfare due to sanctions had the highest recidivism rate at 12.4 percent. The next highest recidivism rate was among persons who had left welfare due to earnings (8.5 percent).

**EXHIBIT VII-1
RECIDIVISM RATES BY REASON FOR LEAVING WELFARE**

	Round 1				
Welfare Status	Earned Income	Sanctions	Time Limits	Other	Total
Back on welfare	5.7%	11.3%	1.4%	6.8%	6.7%
Still off welfare	94.3%	88.7%	98.6%	93.2%	93.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 2				
Welfare Status	Earned Income	Sanctions	Time Limits	Other	Total
Back on welfare	8.0%	4.6%	0.2%	5.0%	5.8%
Still off welfare	92.0%	95.4%	99.8%	95.0%	94.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 3				
Welfare Status	Earned Income	Sanctions	Time Limits	Other	Total
Back on welfare	8.5%	12.4%	0.8%	7.3%	8.1%
Still off welfare	91.5%	87.6%	99.2%	92.7%	91.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Recidivism Rates by Neighborhood Type

- Exhibit VII-2 shows the recidivism rates by neighborhood type. The data indicate that, at Round 3, the recidivism rate for high-risk neighborhoods was almost double the rate found for low-risk neighborhoods.

**EXHIBIT VII-2
 RECIDIVISM RATES BY NEIGHBORHOOD TYPE**

	Round 1	
Welfare Status	High Risk	Low Risk
Back on welfare	6.8%	6.6%
Still off welfare	93.2%	93.4%
Total	100.0%	100.0%
	Round 2	
Welfare Status	High Risk	Low Risk
Back on welfare	8.0%	5.5%
Still off welfare	92.0%	94.5%
Total	100.0%	100.0%
	Round 3	
Welfare Status	High Risk	Low Risk
Back on welfare	13.1%	7.5%
Still off welfare	86.9%	92.5%
Total	100.0%	100.0%

Recidivism Rates by Ethnicity

- Exhibit VII-3 shows recidivism rates by ethnicity. The data indicate that blacks had a slightly higher recidivism rate than whites at Round 1 and Round 2, but that whites had a slightly higher rate at Round 3.

**EXHIBIT VII-3
 RECIDIVISM RATES BY ETHNICITY**

	Round 1	
Welfare Status	Black	White
Back on welfare	7.8%	6.1%
Still off welfare	92.2%	93.9%
Total	100.0%	100.0%
	Round 2	
Welfare Status	Black	White
Back on welfare	6.1%	4.9%
Still off welfare	93.9%	95.1%
Total	100.0%	100.0%
	Round 3	
Welfare Status	Black	White
Back on welfare	7.7%	9.3%
Still off welfare	92.3%	90.7%
Total	100.0%	100.0%

Recidivism Rates by Education

- Exhibit VII-4 shows recidivism rates by education. The data indicate that, at Round 2, respondents who had completed high school without attending college had the highest recidivism rate. Persons who attended college had a slightly lower recidivism rate than high school drop-outs.

**EXHIBIT VII-4
RECIDIVISM RATES BY EDUCATION**

	Round 1		
Welfare Status	Did not Complete High School or GED	Completed High School or GED Only	Attended College
Back on welfare	7.0%	7.3%	5.0%
Still off welfare	93.0%	92.7%	95.0%
Total	100.0%	100.0%	100.0%
	Round 2		
Welfare Status	Did not Complete High School or GED	Completed High School or GED Only	Attended College
Back on welfare	4.0%	8.4%	3.1%
Still off welfare	96.0%	91.6%	96.9%
Total	100.0%	100.0%	100.0%
	Round 3		
Welfare Status	Did not Complete High School or GED	Completed High School or GED Only	Attended College
Back on welfare	7.0%	9.9%	5.7%
Still off welfare	93.0%	90.1%	94.3%
Total	100.0%	100.0%	100.0%

Recidivism Rates by Age

- Exhibit VII-5 shows recidivism rates by the age of the respondent. The data indicate that, at Round 2, recidivism rates did not vary much by age. At Round 3, recidivism was highest among younger respondents.

**EXHIBIT VII-5
RECIDIVISM RATES BY AGE**

	Round 1				
Welfare Status	18-24	25-29	30-34	35-39	40+
Back on welfare	10.1%	4.0%	7.2%	7.3%	6.1%
Still off welfare	89.9%	96.0%	92.8%	92.7%	93.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 2				
Welfare Status	18-24	25-29	30-34	35-39	40+
Back on welfare	6.7%	6.0%	4.2%	6.2%	5.8%
Still off welfare	93.3%	94.0%	95.8%	93.8%	94.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
	Round 3				
Welfare Status	18-24	25-29	30-34	35-39	40+
Back on welfare	10.9%	8.6%	5.9%	7.4%	6.7%
Still off welfare	89.1%	91.4%	94.1%	92.6%	93.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

C. REASONS FOR GOING BACK ON WELFARE

- For Round 3 respondents who were back on welfare, Exhibit VII-6 shows the most common reasons given for going back on welfare. Respondents who had left welfare due to time limits are not included because of the small number of cases.
- As indicated, the most common reason given was that the respondent had been laid off or fired from a job (33 percent compared to almost 40 percent at Round 1).
- Almost 19 percent cited an illness or disability and 18 percent said that they had quit their jobs. Almost 13 percent said that they had become pregnant.

**EXHIBIT VII-6
MOST COMMON REASONS FOR GOING BACK ON WELFARE,
ROUND 3**

Reason	Earned Income	Sanctions	Other	Total
Laid off from job or fired	32.2%	26.9%	46.3%	33.2%
Your illness/disability	18.7%	22.6%	12.2%	18.7%
Quit job	22.6%	12.6%	14.7%	18.1%
Pregnancy	13.2%	15.5%	7.3%	12.8%
Irregular child support payments	7.5%	9.9%	9.7%	8.7%
Divorce/separation	7.5%	4.3%	0.0%	5.1%
Illness/disability of a family member	0.0%	5.6%	7.3%	3.1%
Child care problems	0.0%	5.6%	7.3%	3.1%
Housing problems	0.0%	8.5%	0.0%	2.6%
Loss of transportation	0.0%	1.4%	7.3%	1.8%
Loss of financial support from relatives/friends	0.0%	4.3%	0.0%	1.3%
Decrease in hours worked or wages	1.8%	0.0%	0.0%	0.9%
Loss of health insurance	0.0%	1.4%	0.0%	0.4%
Other	5.7%	5.6%	14.7%	7.3%

D. BARRIERS TO LEAVING WELFARE

- For Round 3, Exhibit VII-7 shows the recidivists’ most commonly cited barriers to leaving welfare.
- The most common reasons were lack of education, disability/illness, not being able to find a job that pays enough, and lack of job skills. This was the same as at Round 2.

**EXHIBIT VII-7
MOST COMMON BARRIERS TO LEAVING WELFARE, ROUND 3**

Reason	Earned Income	Sanctions	Other	Total
Lack of job skills	20.8%	21.1%	29.3%	22.4%
Lack of education	32.0%	22.5%	29.3%	28.6%
Lack of reliable or affordable child care	9.4%	5.6%	22.0%	10.5%
Lack of transportation	7.5%	21.1%	0.0%	10.3%
Cant find job that pays enough	20.8%	39.5%	17.1%	25.8%
Cant find job with health insurance	0.0%	4.1%	14.7%	3.9%
Cant find job w/regular hours/enough hours	5.7%	11.2%	41.5%	14.0%
Available jobs are short-term or seasonal	0.0%	1.4%	14.7%	3.1%
Don't receive child support	11.2%	11.2%	17.1%	12.3%
Disability or illness	35.8%	22.6%	12.2%	27.4%
Disability/illness of a child/other family member	1.8%	5.6%	7.3%	4.0%
No barriers- prefer to stay at home with children	0.0%	4.3%	0.0%	1.3%
Can't find job	18.9%	12.8%	9.7%	15.4%
Other	5.7%	0.0%	7.3%	4.3%

E. OTHER FINDINGS FOR RECIDIVISTS

Employment Situation and Barriers

- Of the respondents who were back on welfare, 11 (14.2 percent) reported that they were currently working for pay.
- Of those who were not currently working, about 52 percent said that they had worked for pay in the last 12 months.
- Among those not currently working, 39 percent cited "can't find a job." as a reason for not working. The next most common reasons were "physical/mental illness(self)" (35 percent), "laid off from job" (25 percent), and "lack of transportation" (16 percent).

Household Composition and Living Arrangements

- About 29 percent of the recidivists were living with one or more other adult, but only 7 (8.7 percent) were living with a spouse or partner.
- Almost 54 percent of the recidivists had pre-school children, and 85 percent had school-age children.
- About 18 percent of the recidivists had three or more children.

Public Assistance and Housing

- Almost 100 percent of the recidivists were receiving Food Stamps and Medicaid.
- About 18 percent were receiving child support payments.
- About 26 percent were living in public housing or Section 8 housing, and 20 percent were living rent-free with a family member or friend.

Knowledge of Benefit Programs

- About 71 percent of the recidivists knew that families may continue to get Food Stamps after leaving welfare.
- Almost 88 percent knew that children may continue to get Medicaid after a family leaves welfare.
- About 62 percent knew that adults who leave welfare for work may continue to get Medicaid after leaving welfare.
- About 69 percent knew that families may be able to get assistance paying for child care after leaving welfare.

APPENDIX A: ADDITIONAL ANALYSIS OF CHILD OUTCOMES

This appendix presents additional analyses of the survey findings on child outcomes for families who were still off welfare. The additional analyses involve the use of a “child outcomes index.” This index is designed to combine the responses to all of the child outcome questions into a single numerical measure for each case. The index provides an overall measure for each respondent, combining the different dimensions of child behavior, temperament, and attitude.

A. CONSTRUCTION OF THE CHILD OUTCOMES INDEX

To construct the child outcome index, we assigned scores to the responses to the 10 child outcome questions shown earlier in Chapter V. The questions relating to the child’s health were not included in the index. A score of 10 was assigned for a positive outcome; a score of 5 was assigned for a neutral outcome; and a score of 0 was assigned for a negative outcome.

For example, the first question on child outcomes was as follows: “Compared to one year ago, would you say that your child gets along better with other children, gets along worse, or is about the same?” If the respondent answered “better” to this question, a score of 10.0 was assigned to the case. If the respondent answered “the same,” a score of 5.0 was assigned. If the respondent answered “worse,” a score of 0 was assigned. An exception had to be made for the question that asked about how well the child had been doing with schoolwork. This question had five response options, which were scored as follows:

- very well – 10,
- well – 7.5,
- average – 5.0,
- below average: - 2.5, and
- not well at all – 0.

Under this approach, a “perfect score” on the index was 100 (a score of 10 for each of the 10 questions). The average score on the index for all respondents was 70.5.

B. SUMMARY OF KEY FINDINGS

Differences Based on Reasons for Leaving Welfare

- Exhibit A-1 indicates that, at both rounds, the scores on the child outcomes index did not vary greatly by the reason for leaving welfare. Nor was there a major change in the scores between Round 1 and Round 3.

**EXHIBIT A-1
CHILD OUTCOME INDEX SCORE, BY REASON
FOR LEAVING WELFARE**

Reason	Round 1	Round 2	Round 3
Earned Income	69.7	68.4	71.0
Sanction	72.3	69.4	71.7
Time Limit	69.0	69.2	69.9
Other	71.8	72.3	71.2

Child Outcomes and Neighborhood Risk

- In all three rounds, the scores on the child outcome index were about the same for respondents from high-risk neighborhoods and low-risk neighborhoods.

**EXHIBIT A-2
CHILD OUTCOME INDEX SCORE,
BY NEIGHBORHOOD TYPE**

Neighborhood Type	Round 1	Round 2	Round 3
Low Risk	70.6	69.4	71.1
High Risk	69.7	69.7	70.6

Child Outcomes by Ethnicity

- Exhibit A-3 indicates that, at Round 1, the average score was higher for blacks (72.1) than for whites (66.3). At Round 2 and Round 3, there was less of a difference between blacks and whites. This was also the case when we examined the data by reason for leaving welfare (Exhibit A-4) and by type of neighborhood (Exhibit A-5).

**EXHIBIT A-3
CHILD OUTCOME INDEX SCORE,
BY ETHNICITY OF RESPONDENT**

Ethnicity	Round 1	Round 2	Round 3
Black	72.1	70.0	71.8
White	66.3	67.6	69.0

**EXHIBIT A-4
CHILD OUTCOME INDEX SCORE, BY ETHNICITY AND
REASON FOR LEAVING WELFARE**

Round 1				
Ethnicity	Earned Income	Sanction	Time Limit	Other
Black	72.2	72.5	69.0	74.0
White	64.7	71.4	70.3	65.9
Round 2				
Ethnicity	Earned Income	Sanction	Time Limit	Other
Black	69.2	69.6	69.7	72.8
White	66.3	68.5	63.6	70.6
Round 3				
Ethnicity	Earned Income	Sanction	Time Limit	Other
Black	71.6	72.3	70.1	73.2
White	69.8	69.4	67.4	66.8

**EXHIBIT A-5
CHILD OUTCOME INDEX SCORE, BY ETHNICITY
AND TYPE OF NEIGHBORHOOD**

Round 1		
Ethnicity	Low Risk	High Risk
Black	72.1	71.8
White	66.7	63.1
Round 2		
Ethnicity	Low Risk	High Risk
Black	70.0	69.8
White	67.4	69.1
Round 3		
Ethnicity	Low Risk	High Risk
Black	71.8	71.3
White	68.9	69.1

Child Outcomes by Age of the Respondent

- At Round 2, respondents aged 18-24 continued to have a somewhat higher average score than other respondents (Exhibit A-6). However, this was driven largely by the respondents who had left welfare due to earnings (Exhibit A-7).

**EXHIBIT A-6
CHILD OUTCOME INDEX SCORE,
BY AGE OF RESPONDENT**

Age	Round 1	Round 2	Round 3
18-24	76.2	73.9	73.4
25-29	71.7	69.9	70.3
30-34	67.4	67.4	70.5
35-39	70.2	69.7	71.0
40+	70.0	68.1	70.0

**EXHIBIT A-7
CHILD OUTCOME INDEX SCORE, BY AGE OF RESPONDENT AND
REASON FOR LEAVING WELFARE**

Round 1				
Age	Earned Income	Sanction	Time Limit	Other
18-24	83.1	71.9	69.9	73.7
25-29	71.4	71.6	67.3	75.6
30-34	64.7	67.7	70.2	70.7
35-39	69.9	71.9	69.0	70.3
40+	67.8	82.8	69.4	69.1
Round 2				
Age	Earned Income	Sanction	Time Limit	Other
18-24	74.7	72.4	73.2	74.2
25-29	69.8	69.1	66.8	73.3
30-34	66.7	64.2	67.2	73.0
35-39	71.3	67.2	70.2	68.6
40+	62.3	77.1	72.7	73.0
Round 3				
Age	Earned Income	Sanction	Time Limit	Other
18-24	74.6	73.6	71.1	71.8
25-29	71.2	67.4	69.4	71.6
30-34	70.4	73.5	70.0	68.9
35-39	70.5	72.8	69.9	71.4
40+	68.1	73.5	69.5	72.4

**EXHIBIT A-8
CHILD OUTCOME INDEX SCORE, BY AGE OF RESPONDENT
AND TYPE OF NEIGHBORHOOD**

Round 1		
Age	Low Risk	High Risk
18-24	76.9	70.1
25-29	71.7	71.4
30-34	67.9	63.4
35-39	70.1	71.9
40+	69.9	71.6
Round 2		
Age	Low Risk	High Risk
18-24	73.9	73.5
25-29	69.5	73.2
30-34	67.1	69.1
35-39	70.2	64.4
40+	68.2	67.3
Round 3		
Age	Low Risk	High Risk
18-24	73.6	71.1
25-29	70.5	68.7
30-34	70.4	71.7
35-39	70.8	73.4
40+	70.0	69.7

Child Outcomes by Education

- The scores on the child outcome index did not vary greatly by the education of the respondent (Exhibits A-9 to A-11).

**EXHIBIT A-9
CHILD OUTCOME INDEX SCORE,
BY EDUCATION OF RESPONDENT**

Education	Round 1	Round 2	Round 3
Did not complete high school	69.7	69.6	70.4
Completed high school	70.9	70.4	72.3
Attended college	71.3	66.6	69.2

**EXHIBIT A-10
CHILD OUTCOME INDEX SCORE, BY EDUCATION OF RESPONDENT
AND REASON FOR LEAVING WELFARE**

	Round 1			
Education	Earned Income	Sanction	Time Limit	Other
Did not complete high school	69.4	68.7	67.9	72.4
Completed high school	69.1	74.1	71.4	72.9
Attended college	71.4	78.7	67.0	67.0
	Round 2			
Education	Earned Income	Sanction	Time Limit	Other
Did not complete high school	70.3	67.4	69.4	70.6
Completed high school	69.2	70.9	70.0	73.6
Attended college	62.7	72.1	66.3	73.2
	Round 3			
Education	Earned Income	Sanction	Time Limit	Other
Did not complete high school	72.0	71.0	68.9	68.1
Completed high school	71.7	72.5	71.8	74.9
Attended college	68.1	72.7	68.7	70.8

**EXHIBIT A-11
CHILD OUTCOME INDEX SCORE, BY EDUCATION OF RESPONDENT
AND TYPE OF NEIGHBORHOOD**

	Round 1	
Education	Low Risk	High Risk
Did not complete high school	67.7	69.6
Completed high school	70.9	70.1
Attended college	71.6	68.8
	Round 2	
Education	Low Risk	High Risk
Did not complete high school	69.4	70.6
Completed high school	70.3	71.4
Attended college	67.0	64.0
	Round 3	
Education	Low Risk	High Risk
Did not complete high school	70.6	68.5
Completed high school	72.5	70.4
Attended college	68.3	76.0

Child Outcomes and Employment Status

- The scores on the child outcome index did not vary greatly by whether the respondent was currently working or not working (Exhibit A-12).
- At Rounds 2 and 3, this was also true within the four sampling strata (Exhibit A-13).
- There was no difference on the scores of blacks and whites in the scores of those working and those not working (Exhibit A-15).

EXHIBIT A-12 CHILD OUTCOME INDEX SCORE, BY EMPLOYMENT STATUS

Employment	Round 1	Round 2	Round 3
Working	69.7	69.9	71.6
Not working	71.9	68.7	70.1

EXHIBIT A-13 CHILD OUTCOME INDEX SCORE, BY EMPLOYMENT STATUS AND REASON FOR LEAVING WELFARE

Round 1				
Employment	Earned Income	Sanction	Time Limit	Other
Working	67.8	72.6	70.2	73.0
Not working	75.4	72.0	67.8	70.3
Round 2				
Employment	Earned Income	Sanction	Time Limit	Other
Working	68.4	70.3	71.0	73.0
Not working	68.3	68.7	67.2	71.2
Round 3				
Employment	Earned Income	Sanction	Time Limit	Other
Working	71.1	71.3	72.6	73.1
Not working	70.9	72.2	67.5	68.5

**EXHIBIT A-14
CHILD OUTCOME INDEX SCORE, BY EMPLOYMENT STATUS
AND TYPE OF NEIGHBORHOOD**

	Round 1	
Employment	Low Risk	High Risk
Working	69.6	70.0
Not working	72.2	69.1
	Round 2	
Employment	Low Risk	High Risk
Working	69.8	70.5
Not working	68.7	68.3
	Round 3	
Employment	Low Risk	High Risk
Working	71.6	71.8
Not working	70.3	68.8

**EXHIBIT A-15
CHILD OUTCOME INDEX SCORE, BY EMPLOYMENT STATUS
AND ETHNICITY**

	Round 1	
Employment	Black	White
Working	71.8	63.4
Not working	72.4	71.3
	Round 2	
Employment	Black	White
Working	70.8	67.0
Not working	68.8	68.4
	Round 3	
Employment	Black	White
Working	72.5	69.3
Not working	70.6	68.5

Child Outcomes and Non-Traditional Work Hours

- At Round 1, the average scores on the index were actually slightly higher among respondents who were working evening or early morning hours, compared to those who were working normal business hours. At Round 2 and Round 3, there was no difference (Exhibit A-16, A-17, and A-18).
- Having to work weekends had no impact upon the child outcome index (Exhibits A-19 to A-21).

**EXHIBIT A-16
CHILD OUTCOME INDEX SCORE,
BY WORK SCHEDULE**

Work Schedule	Round 1	Round 2	Round 3
Begin work before 6 a.m. or end work after 6 p.m..	71.9	69.7	71.5
Work between 6 a.m. and 6 p.m.	67.4	69.4	71.4

**EXHIBIT A-17
CHILD OUTCOME INDEX BY WORK SCHEDULE**

	Round 1			
Work Schedule	Earned Income	Sanction	Time Limit	Other
Begin before 6 a.m. or end after 6 p.m.	71.4	73.1	69.1	73.9
Work between 6 a.m. and 6 p.m.	64.4	71.1	68.8	67.4
	Round 2			
Work Schedule	Earned Income	Sanction	Time Limit	Other
Begin before 6 a.m. or end after 6 p.m.	67.5	69.1	67.8	76.7
Work between 6 a.m. and 6 p.m.	68.7	69.1	69.5	71.7
	Round 3			
Work Schedule	Earned Income	Sanction	Time Limit	Other
Begin before 6 a.m. or end after 6 p.m.	70.9	69.0	72.8	73.2
Work between 6 a.m. and 6 p.m.	71.7	72.9	68.8	70.7

**EXHIBIT A-18
CHILD OUTCOME INDEX BY WORK SCHEDULE AND
NEIGHBORHOOD TYPE**

	Round 1	
Schedule	Low Risk	High Risk
Begin work before 6 a.m. or end work after 6 p.m.	72.1	70.1
Work between 6 a.m. and 6 p.m.	67.2	68.8
	Round 2	
Schedule	Low Risk	High Risk
Begin work before 6 a.m. or end work after 6 p.m.	69.9	68.6
Work between 6 a.m. and 6 p.m.	69.4	69.2
	Round 3	
Schedule	Low Risk	High Risk
Begin work before 6 a.m. or end work after 6 p.m.	71.2	73.9
Work between 6 a.m. and 6 p.m.	71.4	71.6

**EXHIBIT A-19
CHILD OUTCOME INDEX SCORE, BY WHETHER
THE RESPONDENT WORKED WEEKENDS**

Work on Weekends?	Round 1	Round 2	Round 3
Every weekend	69.6	67.8	70.4
Most weekends	68.5	72.1	71.7
Occasionally	71.9	68.4	71.2
Rarely or never	72.2	69.5	71.6

**EXHIBIT A-20
CHILD OUTCOME INDEX SCORE, BY WHETHER
THE RESPONDENT WORKED WEEKENDS AND
REASON FOR LEAVING WELFARE**

	Round 1			
Work on Weekends?	Earned Income	Sanction	Time Limit	Other
Every weekend	68.8	71.2	62.1	73.7
Most weekends	65.5	73.3	71.6	70.6
Occasionally	73.7	75.6	66.4	68.6
Rarely or never	71.2	71.0	71.6	75.8
	Round 2			
Work on Weekends?	Earned Income	Sanction	Time Limit	Other
Every weekend	65.7	67.9	66.9	72.7
Most weekends	73.3	70.5	69.3	72.6
Occasionally	67.4	64.4	67.5	76.1
Rarely or never	68.0	69.9	72.0	72.2
	Round 3			
Work on Weekends?	Earned Income	Sanction	Time Limit	Other
Every weekend	69.7	70.4	70.8	72.4
Most weekends	72.2	74.8	68.8	69.4
Occasionally	71.7	69.6	69.7	73.5
Rarely or never	71.2	71.9	72.4	72.1

**EXHIBIT A-21
CHILD OUTCOME INDEX SCORE, BY WHETHER THE RESPONDENT
WORKED WEEKENDS AND TYPE OF NEIGHBORHOOD**

	Round 1	
Work on Weekends?	Low Risk	High Risk
Every weekend	70.2	65.0
Most weekends	68.7	66.7
Occasionally	71.6	75.1
Rarely or never	72.3	71.4
	Round 2	
Work on Weekends?	Low Risk	High Risk
Every weekend	68.4	64.5
Most weekends	72.3	70.9
Occasionally	68.3	68.9
Rarely or never	69.2	72.2
	Round 3	
Work on Weekends?	Low Risk	High Risk
Every weekend	70.4	71.4
Most weekends	71.5	73.1
Occasionally	71.6	68.8
Rarely or never	71.5	73.0

Child Care Arrangements and Access

- Among respondents who were using child care, those who were using formal child care had a slightly higher average score at Round 1 and Round 2 but the difference was not evident at Round 3 (Exhibit A-22). This overall lack of a relationship was also evident when the data were examined by the reason for leaving welfare (Exhibit A-23) or type of neighborhood (Exhibit A-24).
- Respondents who reported that there had been times in the past when they needed child care but could not *find* it had a slightly lower average score at each round than those who had not experienced problems finding child care (Exhibit A-25).
- Respondents who reported that there had been times in the past when they needed child care but could not *pay for* it had a slightly lower average score on the index than those who had not experienced problems paying for child care (Exhibit A-28).

**EXHIBIT A-22
CHILD OUTCOME INDEX SCORE,
BY TYPE OF CHILD CARE**

Type of Child Care	Round 1	Round 2	Round 3
Formal	75.8	71.2	72.5
Informal	71.5	66.6	71.1

**EXHIBIT A-23
CHILD OUTCOME INDEX SCORE, BY TYPE OF CHILD CARE AND
REASON FOR LEAVING WELFARE**

	Round 1			
Type of Child Care	Earned Income	Sanction	Time Limit	Other
Formal	78.0	77.6	66.1	76.6
Informal	74.8	67.6	67.3	63.8
	Round 2			
Type of Child Care	Earned Income	Sanction	Time Limit	Other
Formal	72.0	63.9	69.9	76.8
Informal	61.1	69.2	64.8	75.5
	Round 3			
Type of Child Care	Earned Income	Sanction	Time Limit	Other
Formal	73.0	71.4	66.4	73.8
Informal	67.6	74.4	79.4	71.1

**EXHIBIT A-24
CHILD OUTCOME INDEX SCORE, BY TYPE OF CHILD CARE AND
NEIGHBORHOOD TYPE**

	Round 1	
Type of Child Care	Low Risk	High Risk
Formal	76.1	73.8
Informal	72.0	66.8
	Round 2	
Type of Child Care	Low Risk	High Risk
Formal	71.6	67.7
Informal	67.5	61.6
	Round 3	
Type of Child Care	Low Risk	High Risk
Formal	72.5	72.0
Informal	71.2	70.4

**EXHIBIT A-25
CHILD OUTCOME INDEX SCORE, BY WHETHER THE RESPONDENTS
HAD EVER NEEDED REGULAR CHILD
CARE IN PAST YEAR BUT COULD NOT FIND IT**

Past Experience	Round 1	Round 2	Round 3
Could not find child care	67.9	67.4	67.5
Could find child care	71.5	70.0	71.8

**EXHIBIT A-26
CHILD OUTCOME INDEX SCORE, BY WHETHER RESPONDENT
EVER NEED REGULAR CHILD CARE IN PAST YEAR BUT COULD
NOT FIND IT – BY REASON FOR LEAVING WELFARE**

Past Experience	Round 1			
	Earned Income	Sanction	Time Limit	Other
Could not find child care	64.8	76.0	65.8	68.2
Could find child care	71.5	70.5	70.2	73.5
Past Experience	Round 2			
	Earned Income	Sanction	Time Limit	Other
Could not find child care	64.7	65.2	70.4	73.1
Could find child care	69.1	71.0	68.9	72.1
Past Experience	Round 3			
	Earned Income	Sanction	Time Limit	Other
Could not find child care	65.6	69.4	68.5	68.4
Could find child care	71.9	72.2	70.3	72.0

**EXHIBIT A-27
CHILD OUTCOME INDEX SCORE, BY WHETHER RESPONDENT HAD
NEEDED REGULAR CHILD CARE IN PAST YEAR BUT COULD NOT
FIND IT – BY NEIGHBORHOOD TYPE**

Past Experience	Round 1	
	Low Risk	High Risk
Could not find child care	68.5	63.7
Could find child care	71.4	72.4
Past Experience	Round 2	
	Low Risk	High Risk
Could not find child care	66.7	71.2
Could find child care	70.0	69.1
Past Experience	Round 3	
	Low Risk	High Risk
Could not find child care	67.3	69.1
Could find child care	71.8	71.0

**EXHIBIT A-28
CHILD OUTCOME INDEX BY EVER NEEDED REGULAR CHILD CARE
BUT COULD NOT PAY FOR IT**

Past Experience	Round 1	Round 2	Round 3
Could not pay for child care	68.4	65.0	67.3
Could pay for child care	71.5	70.7	72.2

**EXHIBIT A-29
CHILD OUTCOME INDEX BY EVER NEEDED REGULAR
CHILD CARE BUT COULD NOT PAY FOR IT
– BY REASON FOR LEAVING WELFARE**

	Round 1			
Past Experience	Earned Income	Sanction	Time Limit	Other
Could not pay for child care	67.0	72.5	64.1	70.1
Could pay for child care	70.8	72.2	71.2	72.7
	Round 2			
Past Experience	Earned Income	Sanction	Time Limit	Other
Could not pay for child care	61.1	65.2	68.3	72.4
Could pay for child care	70.5	70.9	69.5	72.3
	Round 3			
Past Experience	Earned Income	Sanction	Time Limit	Other
Could not pay for child care	66.8	69.5	66.7	67.1
Could pay for child care	72.5	72.4	70.9	72.3

**EXHIBIT A-30
CHILD OUTCOME INDEX BY EVER NEED REGULAR CHILD CARE
BUT COULD NOT PAY FOR IT – BY NEIGHBORHOOD TYPE**

	Round 1	
Past Experience	Low Risk	High Risk
Could not pay for child care	68.5	67.1
Could pay for child care	71.2	71.0
	Round 2	
Past Experience	Low Risk	High Risk
Could not pay for child care	64.1	70.9
Could pay for child care	70.9	69.2
	Round 3	
Past Experience	Low Risk	High Risk
Could not pay for child care	67.0	69.7
Could pay for child care	72.3	71.0

Safety of the Neighborhood as a Place to Raise Children

- At Round 1, respondents who rated their neighborhood as a “very good” place to raise children had a higher average score (72.9) than those who rated their neighborhoods as “not too good” (67.5) and ”very bad” (57.4).
- At Round 2, persons who rated their neighborhood as “not too good” had an average score of only 63.2. However, the average score for persons who rated their neighborhood as very bad increased from 57.4 to 71.1.
- At Round 3, respondents who rated their neighborhood as not too good or very bad had slightly lower average scores than other respondents.

EXHIBIT A-31 CHILD OUTCOME INDEX BY QUALITY OF NEIGHBORHOOD AS A PLACE TO RAISE CHILDREN

Quality	Round 1	Round 2	Round 3
Very good	72.9	71.5	73.4
Good	70.8	69.4	70.9
Not too good	67.5	63.2	65.5
Very bad	57.4	71.1	66.1

EXHIBIT A-32 CHILD OUTCOME INDEX BY QUALITY OF NEIGHBORHOOD AS A PLACE TO RAISE CHILDREN

Round 1				
Quality	Earned Income	Sanction	Time Limit	Other
Very good	71.3	73.4	72.7	76.1
Good	70.5	71.9	68.7	71.9
Not too good	67.8	71.0	64.5	65.7
Very bad	54.4	70.6	66.0	51.3
Round 2				
Quality	Earned Income	Sanction	Time Limit	Other
Very good	69.8	71.5	71.9	75.2
Good	68.6	69.6	70.6	70.4
Not too good	62.3	61.3	60.9	70.5
Very bad	78.8	66.6	68.3	75.2
Round 3				
Quality	Earned Income	Sanction	Time Limit	Other
Very good	72.4	73.4	75.7	74.5
Good	71.0	72.4	69.7	69.7
Not too good	66.6	67.7	61.4	64.4
Very bad	66.0	62.5	65.9	74.3

**EXHIBIT A-33
CHILD OUTCOME INDEX BY QUALITY OF NEIGHBORHOOD AS A
PLACE TO RAISE CHILDREN**

Round 1		
Quality	Low Risk	High Risk
Very good	73.5	67.0
Good	70.7	72.2
Not too good	66.8	71.7
Very bad	56.3	61.7
Round 2		
Quality	Low Risk	High Risk
Very good	71.4	73.9
Good	69.2	70.7
Not too good	63.5	62.1
Very bad	71.7	68.3
Round 3		
Quality	Low Risk	High Risk
Very good	73.4	73.9
Good	71.0	69.5
Not too good	64.7	69.1
Very bad	66.7	62.6

Child Outcomes and Family Mobility

- Overall, there was little difference in average scores between those respondents who had moved in the last 12 months and those who had not moved (Exhibit A-34 to A-36).

**EXHIBIT A-34
CHILD OUTCOME INDEX BY WHETHER RESPONDENT MOVED IN
THE LAST 12 MONTHS**

Moved?	Round 1	Round 2	Round 3
Yes	72.9	69.6	70.6
No	71.1	69.7	71.5

**EXHIBIT A-35
CHILD OUTCOME INDEX BY WHETHER RESPONDENT MOVED IN
THE LAST 12 MONTHS – BY REASON LEFT WELFARE**

Round 1				
Moved?	Earned Income	Sanction	Time Limit	Other
Yes	70.4	72.8	73.8	77.3
No	71.7	73.2	68.7	69.3
Round 2				
Moved?	Earned Income	Sanction	Time Limit	Other
Yes	64.8	76.8	67.3	74.5
No	69.0	68.1	70.4	72.7
Round 3				
Moved?	Earned Income	Sanction	Time Limit	Other
Yes	68.7	74.9	72.3	69.7
No	71.9	71.4	70.1	71.7

**EXHIBIT A-36
CHILD OUTCOME INDEX BY WHETHER RESPONDENT MOVED IN
THE LAST 12 MONTHS – BY NEIGHBORHOOD TYPE**

Round 1		
Moved?	Low Risk	High Risk
Yes	73.7	69.5
No	70.1	73.4
Round 2		
Moved?	Low Risk	High Risk
Yes	69.5	70.4
No	69.7	69.9
Round 3		
Moved?	Low Risk	High Risk
Yes	70.8	68.8
No	71.6	70.6

Child Outcomes and Respondents’ Views of Life After Welfare

- Overall, respondents who had a positive view of life after welfare continued to have somewhat higher scores on the child outcome index than those with a less positive view (Exhibit A37).

EXHIBIT A-37
CHILD OUTCOME INDEX SCORE, BY RESPONDENT
VIEWS OF LIFE AFTER WELFARE

Statement	Round 1		Round 2		Round 3	
	Agree	Disagree	Agree	Disagree	Agree	Disagree
Life was better when you were getting welfare	66.7	71.4	65.1	70.4	68.8	71.5
You hardly ever worry about money anymore	74.2	68.5	72.1	68.1	74.3	69.3
You have more money now than when on welfare	73.1	66.2	71.3	66.3	72.1	69.1
You buy little extras without worrying about every penny	73.3	66.8	71.7	65.7	72.5	69.0
You are pretty sure you will not need to be on welfare again	71.5	69.4	71.5	66.6	72.2	69.5
You feel you are just barely making it from day to day	68.6	72.4	66.2	72.3	68.6	73.5
You feel better about yourself than a year ago	72.0	62.9	70.9	59.2	72.6	63.3
You worry more about your family now than a year ago	67.2	73.1	65.7	72.1	67.7	74.0
You feel more stress now than you did a year ago	65.5	73.9	65.0	72.7	68.2	73.4

APPENDIX B: ADDITIONAL ANALYSIS COMBINING OPEN AND CLOSED CASES

This Appendix presents findings on selected outcomes for all of the survey respondents combined, including those who were still off welfare and those who had returned to welfare. For some of the analyses, we also draw comparisons between those respondents who were still off welfare and those who had returned.

A. EMPLOYMENT SITUATION

Employment Status at Follow-Up

- Exhibit B-1 shows that 59 percent of *all* Round 1 respondents were working for pay at the time of the surveys. At Round 2, the percentage declined to 57 percent. At Round 3, the percentage declined to 55 percent.
- Among all respondents who had left welfare due to earnings, 73.7 percent were employed, declining to 62.9 percent at Round 2 and Round 3.
- Only 38 percent of Round 1 respondents who had left due to sanctions were employed, increasing to 42 percent at Round 2 and to 44 percent at Round 3.
- About 50 percent of those who had left due to time limits were employed at Round 1, increasing to 53 percent at Round 2 but declining to 47 percent at Round 3.
- About 52 percent of those who had left for “other” reasons were employed at Round 1, increasing to 59 percent at Round 2 but falling to 53 percent at Round 3.
- In general, there was less of a difference among the strata at Round 2 and Round 3 in terms of employment rates.
- Of the persons who were back on welfare, the percentage employed declined from 39 percent at Round 1 to 20 percent at Round 2 and to 14 percent at Round 3.

**EXHIBIT B-1
PERCENT OF RESPONDENTS WORKING FOR PAY, BY REASON FOR
LEAVING AND WELFARE STATUS AT FOLLOW-UP**

Round 1			
Reason for Leaving	Closed from Welfare	Open on Welfare	All Cases
Earned income	74.9%	52.4%	73.7%
Sanctions	40.4%	19.1%	38.0%
Time limits	50.2%	N/a	50.2%
Other	63.3%	41.9%	52.5%
TOTAL	60.7%	39.2%	59.3%
Round 2			
Reason for Leaving	Closed from Welfare	Open on Welfare	All Cases
Earned income	66.5%	21.7%	62.9%
Sanctions	43.2%	10.8%	41.7%
Time limits	53.2%	N/A	53.2%
Other	61.0%	24.1%	59.4%
TOTAL	58.9%	20.3%	56.6%
Round 3			
Reason for Leaving	Closed from Welfare	Open on Welfare	All Cases
Earned income	67.2%	16.9%	62.9%
Sanctions	48.8%	12.6%	44.3%
Time limits	46.6%	N/A	46.6%
Other	56.3%	7.3%	52.8%
TOTAL	58.8%	14.2%	55.2%

Employment Status at Follow-Up, by Ethnicity

- Exhibit B-2 shows the employment rates among *all* survey respondents, by ethnicity. The data indicate that there was no difference between blacks and whites in the percentage of survey respondents who were working at the time of the Round 1 surveys. At Round 2 and Round 3, blacks were employed at a slightly higher rate than whites.

**EXHIBIT B-2
PERCENT OF RESPONDENTS WORKING FOR PAY, BY ETHNICITY**

	Black	White	All Cases
Round 1	59.2%	59.7%	59.3%
Round 2	57.1%	54.5%	56.6%
Round 3	56.2%	52.8%	55.2%

Employment Status at Follow-Up, by Education

- Exhibit B-3 shows the employment rates among *all* survey respondents, by education. The data indicate that education continued to have a major impact upon overall employment rates.

EXHIBIT B-3 PERCENT OF RESPONDENTS WORKING FOR PAY, BY EDUCATION

	Did Not Complete High School	Completed High School	Attended College	All Cases
Round 1	49.4%	64.3%	69.8%	59.3%
Round 2	49.6%	59.9%	65.2%	56.6%
Round 3	44.4%	59.1%	72.1%	55.2%

Work Hours Among Employed Respondents

- Exhibit B-4 presents data on work hours among *all* respondents, including persons who were still off welfare and the recidivists.
- The data show that 54 percent of employed respondents at Round 1 were working 40 or more hours per week, increasing slightly to 56 percent at Round 2 but dropping back to 54 percent at Round 3.
- At each round, about 81 percent of employed respondents were working 30 or more hours per week.
- Average weekly work hours among all respondents were relatively unchanged across the three surveys.

**EXHIBIT B-4
WORK HOURS OF EMPLOYED RESPONDENTS, ALL CASES**

Round 1					
Hours per Week	Earned Income	Sanctions	Time Limits	Other	TOTAL
40+ hours	56.3%	39.6%	49.2%	60.1%	54.2%
30-39 hours	24.7%	39.6%	25.7%	26.7%	27.1%
20-29 hours	15.1%	14.3%	12.8%	8.7%	13.6%
1-19 hours	3.9%	6.5%	12.2%	4.5%	5.1%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Mean	35.7	33.6	33.2	37.8	35.5
Round 2					
Hours per Week	Earned Income	Sanctions	Time Limits	Other	TOTAL
40+ hours	63.0%	45.9%	51.5%	50.8%	56.3%
30-39 hours	20.4%	28.6%	30.3%	31.7%	25.2%
20-29 hours	12.9%	21.0%	13.6%	12.9%	14.4%
1-19 hours	3.7%	4.5%	4.5%	4.6%	4.1%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Mean	36.6	33.6	35.0	36.0	35.8
Round 3					
Hours per Week	Earned Income	Sanctions	Time Limits	Other	TOTAL
40+ hours	56.7%	44.1%	46.3%	61.0%	54.5%
30-39 hours	27.4%	23.3%	22.8%	27.1%	26.2%
20-29 hours	12.5%	25.2%	22.0%	6.8%	14.4%
1-19 hours	3.4%	7.4%	8.9%	5.1%	4.9%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Mean	36.0	32.2	32.5	36.2	35.1

Earnings Among Employed Respondents

- Exhibit B-5 presents data on monthly earnings among *all* employed respondents, including persons who were still off welfare and the recidivists.
- The data show that average earnings increased from \$1,088 at Round 1 to \$1,156 at Round 2 and to \$1,178 at Round 3, an overall increase of 8.3 percent.
- At Round 1, 53 percent of all employed respondents were earning more than \$1,000 per month. This increased to 59 percent at Round 2 and to 60 percent at Round 3.
- At each round, average earnings were much higher among persons who left welfare due to earnings or for “other” reasons than for persons who left due to sanctions or time limits.
- Earnings gains were higher among persons who had left due to earnings and “other” reasons.

EXHIBIT B-5
MONTHLY EARNINGS OF EMPLOYED RESPONDENTS, ALL CASES

Round 1					
Monthly Earnings	Earned Income	Sanctions	Time Limits	Other	TOTAL
\$1-\$500	6.7%	7.8%	15.4%	9.2%	8.1%
\$501-\$750	13.9%	20.4%	18.4%	12.0%	14.8%
\$751-\$1,000	22.9%	26.9%	23.1%	27.8%	24.4%
\$1,001-\$1,250	21.4%	22.5%	23.0%	21.8%	21.8%
\$1,251-\$1,500	20.4%	15.9%	11.8%	11.1%	17.3%
\$1,501+	14.7%	6.5%	8.3%	18.0%	13.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Mean	\$1,117	\$973	\$983	\$1,133	\$1,088
Median	\$1,075	\$930	\$953	\$1,028	\$1,039
Round 2					
Monthly Earnings	Earned Income	Sanctions	Time Limits	Other	TOTAL
\$1-\$500	5.4%	12.4%	12.7%	6.4%	7.7%
\$501-\$750	7.9%	20.8%	13.7%	10.8%	11.5%
\$751-\$1,000	20.5%	19.8%	27.5%	24.6%	21.9%
\$1,001-\$1,250	26.3%	21.8%	21.9%	21.9%	24.2%
\$1,251-\$1,500	19.9%	17.2%	12.6%	14.0%	17.5%
\$1,501+	19.9%	7.9%	11.5%	22.2%	17.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Mean	\$1,224	\$991	\$1,011	\$1,220	\$1,156
Median	\$1,169	\$947	\$969	\$1,078	\$1,082
Round 3					
Monthly Earnings	Earned Income	Sanctions	Time Limits	Other	TOTAL
\$1-\$500	7.6%	17.4%	12.3%	9.4%	10.0%
\$501-\$750	11.7%	17.3%	20.1%	5.9%	12.4%
\$751-\$1,000	16.7%	12.5%	22.1%	22.6%	17.7%
\$1,001-\$1,250	21.1%	21.0%	15.6%	25.3%	21.3%
\$1,251-\$1,500	17.0%	16.5%	15.1%	12.5%	15.9%
\$1,501+	25.9%	15.4%	14.8%	24.3%	22.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Mean	\$1,222	\$1,036	\$1,026	\$1,248	\$1,178
Median	\$1,211	\$1,045	\$953	\$1,095	\$1,110

All Unemployed Respondents – Reasons Not Working

- For all unemployed respondents at Round 3, Exhibit B-6 shows the reasons given for not working.
- The data show that the most common reason cited by respondents was “can’t find a job,” – cited by 36 percent. The next most common reason was physical or mental illness – mentioned by 28 percent of the respondents.

**EXHIBIT B-6
UNEMPLOYED RESPONDENTS – REASONS NOT WORKING NOW,
BY WELFARE STATUS (ALL CASES), ROUND 3**

Reason Not Working	Closed Cases (n=374)	Open Cases (n=68)	All Cases (n=442)
Can't find job	35.8%	39.5%	36.3%
Don't have skills/experience	9.5%	9.8%	9.5%
Cant find job that pays enough	9.7%	11.7%	10.0%
Have no transportation	21.6%	16.0%	20.7%
Lack child care	17.6%	12.2%	16.7%
In job training	1.9%	0.0%	1.6%
In full/part time education	8.4%	1.6%	7.3%
Physical/mental illness/injury(self)	26.9%	35.2%	28.2%
Physical/mental illness/injury(other)	7.6%	6.2%	7.4%
Currently or recently pregnant	5.7%	6.1%	5.7%
Too old to work	0.5%	0.0%	0.4%
Want to stay home with children	14.9%	5.6%	13.5%
Cant get to a job on time	3.0%	2.0%	2.8%
Couldn't get along with co-workers/boss	3.9%	1.2%	3.5%
Laid off from job	19.5%	25.5%	20.5%
Fired from job	10.8%	6.4%	10.1%
Quit job	14.5%	8.2%	13.6%
Lose benefits if working/delay restart benefits	6.6%	2.2%	6.0%
Moved	1.1%	0.0%	0.9%
Receive SSI, do not need to work	1.2%	0.0%	1.0%
Other	0.4%	13.1%	2.4%

All Unemployed Respondents – Reasons Not Working by Reason for Leaving Welfare

- For all unemployed respondents at Round 3, Exhibit B-7 shows the reasons given for not working, by the reason for leaving welfare.
- Transportation was mentioned much more frequently by persons who left welfare due to sanctions or time limits than by other respondents.

**EXHIBIT B-7
UNEMPLOYED RESPONDENTS – REASONS NOT WORKING NOW, BY
REASON FOR LEAVING WELFARE (ALL CASES), ROUND 3**

Reason Not Working	Earned Income	Sanction	Time Limit	Other
Can't find job	33.3%	40.1%	39.3%	35.6%
Don't have skills/experience	10.9%	10.6%	7.5%	7.1%
Cant find job that pays enough	6.9%	12.5%	10.5%	12.4%
Have no transportation	16.4%	31.3%	28.1%	11.6%
Lack child care	15.6%	17.2%	19.7%	16.5%
In job training	1.3%	1.2%	2.2%	2.2%
In full/part time education	10.0%	3.8%	6.2%	7.1%
Physical/mental illness/injury(self)	29.4%	22.3%	25.7%	34.5%
Physical/mental illness/injury(other)	7.3%	8.5%	6.7%	6.7%
Currently or recently pregnant	6.5%	6.0%	3.2%	5.6%
Too old to work	0.4%	0.0%	0.0%	1.1%
Want to stay home with children	11.2%	15.4%	14.3%	15.0%
Cant get to a job on time	2.6%	5.0%	2.2%	1.1%
Couldn't get along with co-workers/boss	3.9%	3.4%	3.7%	2.6%
Laid off from job	22.1%	17.5%	23.5%	18.7%
Fired from job	13.9%	7.8%	7.5%	7.5%
Quit job	11.3%	15.1%	12.4%	16.9%
Lose benefits if working/delay restart benefits	4.8%	7.9%	4.9%	6.7%
Moved	1.3%	0.9%	0.0%	0.7%
Receive SSI, do not need to work	1.3%	0.0%	0.0%	2.2%
Other	3.9%	0.9%	2.5%	1.1%

B. LIVING ARRANGEMENTS

- Exhibit B-8 shows that the percentage of respondents living with another adult increased from 31 percent at Round 1 to 34 percent at Round 2 and Round 3.
- At Round 1, there was little difference between recidivists and persons still off welfare in the percentage who were living with another adult. However, at Round 2 and Round 3, persons who were still off welfare were more likely to be living with another adult than persons still on welfare.
- Exhibit B-9 shows that, at each round, relatively few of the respondents who left welfare due to time limits were living with one or more other adults.
- Among respondents who left welfare due to sanctions, the percent living with another adult increased from 29 percent to almost 40 percent.

**EXHIBIT B-8
PERCENT OF RESPONDENTS LIVING WITH OTHER ADULTS,
BY WELFARE STATUS (ALL CASES)**

Round 1			
Number of Other Adults	Closed Cases	Open Cases	All Cases
None	68.8%	69.2%	68.9%
One	31.2%	30.8%	31.1%
TOTAL.	100.0%	100.0%	100.0%
Round 2			
Number of Other Adults	Closed Cases	Open Cases	All Cases
None	65.3%	73.5%	65.8%
One	34.7%	26.5%	34.2%
TOTAL.	100.0%	100.0%	100.0%
Round 3			
Number of Other Adults	Closed Cases	Open Cases	All Cases
None	65.4%	70.9%	65.9%
One	34.6%	29.1%	34.1%
TOTAL.	100.0%	100.0%	100.0%

**EXHIBIT B-9
PERCENT OF RESPONDENTS LIVING WITH OTHER ADULTS,
BY REASON FOR LEAVING WELFARE (ALL CASES)**

Round 1				
Number of Other Adults	Earned Income	Sanction	Time Limit	Other
None	67.4%	70.9%	78.6%	64.8%
One	32.6%	29.1%	21.4%	35.2%
Total	100.0%	100.0%	100.0%	100.0%
Round 2				
Number of Other Adults	Earned Income	Sanction	Time Limit	Other
None	63.4%	68.4%	79.3%	61.2%
One	36.6%	31.6%	20.7%	38.8%
Total	100.0%	100.0%	100.0%	100.0%
Round 3				
Number of Other Adults	Earned Income	Sanction	Time Limit	Other
None	69.3%	60.4%	75.3%	57.3%
One	30.7%	39.6%	24.7%	42.7%
Total	100.0%	100.0%	100.0%	100.0%

C. PUBLIC ASSISTANCE AND OTHER SUPPORT AMONG ALL RESPONDENTS

- Exhibit B-10 shows that the percentage of respondents receiving Food Stamps declined from 60 percent at Round 1 to 58 percent at Round 2, but increased to 65 percent at Round 3.
- The percentage receiving Medicaid was relatively unchanged.
- Receipt of child care assistance declined from 18 percent at Round 1 to 11 percent at Round 3.

EXHIBIT B-10 PERCENT OF RESPONDENTS REPORTING THAT THEY OR SOMEONE IN THEIR HOME WERE RECEIVING SPECIFIC BENEFITS OR SUPPORT, BY WELFARE STATUS (ALL CASES)

Benefits/Support	Round 1			Round 2			Round 3		
	Closed Cases	Open Cases	All Cases	Closed Cases	Open Cases	All Cases	Closed Cases	Open Cases	All Cases
Food Stamps	57.9%	95.7%	60.5%	56.0%	91.1%	58.0%	61.9%	100%	65.0%
Medicaid	82.3%	99.3%	84.5%	83.4%	98.2%	84.3%	84.9%	99.6%	86.1%
Child care assistance	18.2%	21.9%	18.4%	12.0%	19.3%	12.4%	11.3%	9.4%	11.1%
Child support	28.3%	30.5%	28.5%	31.0%	34.3%	31.2%	33.0%	18.4%	31.9%
Social Security	7.3%	15.3%	7.9%	6.5%	3.1%	6.3%	14.9%	15.0%	14.9%
SSI	9.8%	14.0%	10.1%	13.0%	14.4%	13.1%	8.2%	12.3%	8.5%
Pension income	0.7%	6.0%	1.1%	0.9%	0.0%	0.8%	0.7%	0.0%	0.7%
WIC	26.0%	28.1%	26.2%	22.3%	31.4%	22.8%	18.4%	35.9%	19.8%
School lunch	46.9%	60.2%	47.8%	64.3%	71.9%	64.8%	69.6%	70.5%	69.6%
Summer feeding program for children	2.0%	9.2%	2.5%	6.3%	13.9%	6.7%	7.5%	3.5%	7.2%
Rent subsidy or public housing	23.9%	30.2%	24.3%	27.2%	38.3%	27.8%	27.9%	26.2%	27.7%
Free housing from a parent or relative	7.8%	8.5%	7.9%	11.4%	19.1%	11.9%	13.9%	19.9%	14.4%
Help in paying bills from family or friend living with you	6.9%	4.6%	6.7%	7.2%	0.0%	6.8%	6.0%	1.3%	5.6%
Help in paying bills from family or friend not living with you	11.6%	12.6%	11.5%	14.8%	10.5%	14.5%	16.9%	5.7%	16.0%
Gifts of money from family or friends	11.6%	13.0%	11.7%	12.3%	0.0%	11.6%	16.5%	11.0%	16.1%
Shots or vaccinations from the health department	36.0%	48.3%	36.9%	47.2%	59.5%	47.9%	55.6%	68.8%	56.7%

- Exhibit B-11 indicates that, at Round 3, persons who left welfare due to time limits were the most likely to be receiving Food Stamps, followed by persons who left due to sanctions.
- Persons who left welfare for “other” reasons were the least likely to be receiving Medicaid, child care assistance, child support, and rent subsidies.

EXHIBIT B-11
PERCENT OF RESPONDENTS REPORTING THAT THEY OR
SOMEONE IN THEIR HOME WERE RECEIVING SPECIFIC BENEFITS
OR SUPPORT, BY REASON FOR LEAVING WELFARE (ALL CASES),
ROUND 3

Benefits/Support	Earned Income	Sanction	Time Limit	Other
Food Stamps	60.8%	72.4%	84.2%	56.3%
Medicaid	88.3%	86.7%	93.0%	76.3%
Child care assistance	14.9%	8.5%	9.0%	5.8%
Child support	33.4%	30.8%	35.3%	27.2%
Social Security	11.6%	17.5%	16.0%	19.5%
SSI	9.3%	5.2%	5.4%	11.7%
Pension income	0.5%	1.1%	0.0%	1.1%
WIC	21.9%	20.8%	16.8%	15.9%
School lunch	70.6%	66.6%	83.7%	61.9%
Summer feeding program for children	7.4%	6.1%	12.9%	4.2%
Rent subsidy or public housing	27.4%	27.5%	38.2%	22.5%
Free housing from a parent or relative	12.5%	20.9%	14.4%	12.4%
Help in paying bills from family or friend living with you	4.5%	9.6%	4.5%	5.1%
Help in paying bills from family or friend not living with you	16.5%	15.7%	18.9%	13.4%
Gifts of money from family or friends	13.3%	23.4%	20.0%	13.3%
Shots or vaccinations from the health department	56.9%	57.8%	62.8%	51.5%

APPENDIX C: ADMINISTRATIVE DATA ON THE SURVEY SAMPLE

This Appendix presents data from administrative records systems on employment status, Food Stamp participation, TANF participation, and Medicaid participation among the survey sample. The data on employment status are based on a match against the Unemployment Insurance (UI) wage record system in South Carolina.

To make the administrative data comparable to the survey data, we applied the sample weights to the strata, as in the survey analysis.

A. EMPLOYMENT INFORMATION FROM THE UI WAGE RECORDS SYSTEM

For this chapter, the South Carolina Department of Social Services conducted a second-year match of the 1,440 persons in the survey sample against the South Carolina UI wage records system. It should be noted that the UI wage records system has two major limitations as a source of information on employment patterns, as follows:

- The wage records contain information only on persons who are working in South Carolina. Sample members who have left the state and may be employed elsewhere cannot be tracked through the state's wage records system.
- The UI wage record system can be used to track persons in UI-covered employment. Employment in jobs that are not covered by the UI system cannot be tracked through the wage records.

For these reasons, a UI wage record match will tend to understate the percentage of sample members who are employed. The disparity may increase over time as more sample members leave South Carolina.

Another issue with the UI wage record data is that the data are based on quarterly earnings. This poses a challenge in terms of comparing the UI wage record information with the results of the survey data. Specifically, the surveys gathered information on the employment status of the respondent on the day when they were surveyed. In contrast, the UI data show only whether the person was employed at any time during a specific quarter. For persons who are sporadically employed in a specific quarter, it is possible that the UI wage records will show higher rates of employment than the survey data.

Overall Employment Patterns Among the Sample, by Reason for Leaving Welfare

- In the time period available for the study, we were able to compile and analyze 10 quarters of follow-up data on the sample from the UI records system. Exhibit C-1 presents the results of the UI wage record match for all 1,440 sample members for the 10 quarters after they left welfare. These sample members include persons who were still off welfare and those who had returned. They also include persons who did not respond to the survey.

- The data indicate that about 59 percent of the sample members had UI wages during the fourth quarter after leaving welfare. This percentage declined somewhat to 53 percent in the eighth quarter after leaving welfare, but increased again to 55 percent in the 10th quarter.

**EXHIBIT C-1
PERCENT OF SAMPLE MEMBERS WITH UI WAGES,
BY REASON FOR LEAVING WELFARE**

Quarter After Leaving Welfare	Earned Income	Sanction	Time Limit	Other	Total
Quarter left welfare	83.3%	34.8%	51.0%	52.7%	63.0%
First quarter after leaving welfare	77.7%	46.5%	50.6%	50.9%	62.4%
Second quarter after leaving welfare	75.8%	50.7%	57.9%	48.6%	62.6%
Third quarter after leaving welfare	75.1%	51.5%	56.0%	46.6%	61.9%
Fourth quarter after leaving welfare	72.8%	44.8%	53.3%	47.1%	59.2%
Fifth quarter after leaving welfare	68.2%	47.7%	55.7%	47.3%	57.9%
Sixth quarter after leaving welfare	66.8%	47.9%	59.2%	46.9%	57.7%
Seventh quarter after leaving welfare	64.3%	46.8%	56.8%	50.2%	56.8%
Eighth quarter after leaving welfare	59.4%	44.1%	52.8%	48.4%	53.1%
Ninth quarter after leaving welfare	63.3%	42.0%	51.0%	51.0%	54.9%
Tenth quarter after leaving welfare	63.4%	43.7%	54.6%	49.5%	55.3%

- As indicated previously in Appendix B (Exhibit B-1), the survey data for all respondents showed that 59.3 percent were employed at about one year after leaving welfare, and that 56.6 percent were employed about two years after leaving welfare. The data show that 55.2 percent were employed three years after leaving welfare.
- In terms of the sub-groups in the sample, Exhibit C-1 shows the following:
 - Cases that left due to earned income had the highest employment rate of the four groups, but the percent who had UI earnings declined from 72.8 percent in the 4th quarter after leaving welfare to 59.4 percent in the 8th quarter, while increasing to 63.4 percent in the 10th quarter.
 - Cases that left due to time limits had the second highest employment rate among the four groups. Their employment rate declined only slightly from 53.3 percent in the 4th quarter to 52.8 percent in the 8th quarter but increased to 54.6 percent in the 10th quarter.
 - Cases that left for “other” reasons had the next highest employment rate, and the rate was relatively stable between the 4th and 10th quarters.

- Cases that left due to sanctions continued to have the lowest employment rate of the four groups – 44.1 percent in the 8th quarter and 43.7 percent in the 10th quarter-- but the rate did not decline significantly between the 4th and 10th quarter.

Employment Trends After Leaving Welfare

- Exhibit C-1 also shows the trends in UI employment varied among the four sub-groups. Among persons who left welfare due to earnings, the percentage with UI earnings began at a very high level at 83 percent in the first quarter, but declined steadily to 73 percent in the fourth quarter and to 59 percent in the 8th quarter. We do not know how much of this decline may have been due to sample members leaving South Carolina.
- In contrast, the UI employment rate was relatively stable among the other three groups.

Employment Patterns Among the Survey Sample, by Education

- Exhibit C-2 presents the results of the UI wage record match for all 1,440 sample members, by education.
- The data indicate that education continued to be strongly correlated with having UI earnings in each quarter after leaving welfare.

EXHIBIT C-2 PERCENT OF SAMPLE MEMBERS WITH UI WAGES, BY EDUCATION

Quarter After Leaving Welfare	Did Not Complete High School	Completed High School	Attended College
Quarter left welfare	57.8%	64.0%	73.7%
First quarter after leaving welfare	55.6%	65.4%	72.2%
Second quarter after leaving welfare	55.5%	67.2%	69.2%
Third quarter after leaving welfare	56.2%	63.8%	71.1%
Fourth quarter after leaving welfare	52.9%	60.8%	71.3%
Fifth quarter after leaving welfare	50.4%	63.1%	64.0%
Sixth quarter after leaving welfare	52.9%	60.1%	63.5%
Seventh quarter after leaving welfare	51.9%	59.9%	61.0%
Eighth quarter after leaving welfare	47.1%	54.8%	63.8%
Ninth quarter after leaving welfare	49.7%	57.1%	62.2%
Tenth quarter after leaving welfare	50.3%	56.6%	64.4%

Earnings Patterns Among the Survey Sample

- Exhibit C-3 shows the median earnings among employed members of the survey sample, based on the UI wage record data. The quarterly earnings amounts from the UI data were divided by three to allow meaningful comparisons to the monthly earnings data reported from the surveys.
- The data show that sample members who left welfare due to earnings continued to have much higher UI earnings than sample members who left due to sanctions or time limits. Persons who left for “other” reasons continued to have the second highest earnings.
- Except for the time-limited cases, all of the groups showed earnings gains between the 4th and 8th quarters after leaving welfare. For sample members who left due to earnings, the median monthly wages increased from \$899 in the 4th quarter after leaving welfare to \$982 in the 8th quarter – an increase of 9.2 percent.
- The increase for the sanctioned group was 14 percent and for the “other” group 7.4 percent.
- The time limited group showed a decrease of 3.4 percent between the 4th and 8th quarters.
- Overall, there was an increase of 10.3 percent in the median earnings of employed members of the sample between the 4th and 8th quarter.
- The data for the 9th and 10th quarters after leaving welfare show similar patterns as the earlier data in terms of the differences among the four groups of leavers.
- Among all sample members, average monthly earnings increased from \$808 in the 4th quarter after leaving to \$896 in the 4th quarter – an increase of 10.9 percent (Exhibit C-4).

**EXHIBIT C-3
MEDIAN MONTHLY UI WAGES, BY REASON FOR
LEAVING WELFARE***

Quarter After Leaving Welfare	Earned Income	Sanction	Time Limit	Other	Total
Quarter left welfare	\$ 625	\$ 259	\$ 271	\$ 367	\$ 517
First quarter after leaving welfare	\$ 745	\$ 334	\$ 408	\$ 561	\$ 627
Second quarter after leaving welfare	\$ 751	\$ 416	\$ 408	\$ 569	\$ 618
Third quarter after leaving welfare	\$ 828	\$ 433	\$ 513	\$ 639	\$ 669
Fourth quarter after leaving welfare	\$ 899	\$ 513	\$ 611	\$ 718	\$ 745
Fifth quarter after leaving welfare	\$ 886	\$ 536	\$ 536	\$ 657	\$ 749
Sixth quarter after leaving welfare	\$ 918	\$ 483	\$ 555	\$ 679	\$ 781
Seventh quarter after leaving welfare	\$ 889	\$ 545	\$ 587	\$ 714	\$ 781
Eighth quarter after leaving welfare	\$ 982	\$ 585	\$ 591	\$ 771	\$ 822
Ninth quarter after leaving welfare	\$ 849	\$ 585	\$ 651	\$ 838	\$ 794
Tenth quarter after leaving welfare	\$ 905	\$ 525	\$ 601	\$ 729	\$ 776

*Quarterly wages divided by three

**EXHIBIT C-4
MEAN UI WAGES (MONTHLY), BY REASON FOR
LEAVING WELFARE**

Quarter After Leaving Welfare	Earned Income	Sanction	Time Limit	Other	Total
Quarter left welfare	\$639	\$360	\$375	\$494	\$558
First quarter after leaving welfare	\$754	\$447	\$457	\$629	\$659
Second quarter after leaving welfare	\$801	\$540	\$497	\$703	\$711
Third quarter after leaving welfare	\$850	\$520	\$606	\$746	\$753
Fourth quarter after leaving welfare	\$887	\$584	\$659	\$829	\$808
Fifth quarter after leaving welfare	\$900	\$621	\$664	\$811	\$813
Sixth quarter after leaving welfare	\$958	\$626	\$662	\$839	\$848
Seventh quarter after leaving welfare	\$957	\$649	\$724	\$847	\$858
Eighth quarter after leaving welfare	\$1,004	\$758	\$677	\$846	\$896
Ninth quarter after leaving welfare	\$904	\$698	\$708	\$879	\$848
Tenth quarter after leaving welfare	\$944	\$688	\$701	\$828	\$856

Earnings Patterns Among the Survey Sample, by Education

- Exhibits C-5 and C-6 show UI earnings among employed members of the survey sample, by education.
- The data show that earnings continued to be much higher among the more educated sample members, but all of the educational groups were making earnings gains.

- For example, mean earnings for employed high school drop-outs increased by 31.3 percent between the 1st and 8th quarter after leaving welfare. The increase for persons who had completed high school but not attended college was 35.6 percent. The increase for persons who had attended college was 42.5 percent.

EXHIBIT C-5 MEDIAN MONTHLY UI WAGES, BY EDUCATION

Quarter After Leaving Welfare	Did Not Complete High School	Completed High School	Attended College
Quarter left welfare	\$433	\$580	\$529
First quarter after leaving welfare	\$554	\$650	\$732
Second quarter after leaving welfare	\$517	\$674	\$825
Third quarter after leaving welfare	\$566	\$671	\$916
Fourth quarter after leaving welfare	\$594	\$745	\$1,007
Fifth quarter after leaving welfare	\$644	\$727	\$1,096
Sixth quarter after leaving welfare	\$598	\$803	\$1,024
Seventh quarter after leaving welfare	\$670	\$768	\$1,078
Eighth quarter after leaving welfare	\$697	\$852	\$1,097
Ninth quarter after leaving welfare	\$694	\$783	\$1,170
Tenth quarter after leaving welfare	\$705	\$750	\$1,179

EXHIBIT C-6 MEAN UI WAGES (MONTHLY), BY EDUCATION

Quarter After leaving Welfare	Did Not Complete High School	Completed High School	Attended College
Quarter left welfare	\$506	\$577	\$621
First quarter after leaving welfare	\$591	\$665	\$775
Second quarter after leaving welfare	\$593	\$728	\$908
Third quarter after leaving welfare	\$640	\$748	\$983
Fourth quarter after leaving welfare	\$680	\$801	\$1,058
Fifth quarter after leaving welfare	\$695	\$771	\$1,142
Sixth quarter after leaving welfare	\$708	\$877	\$1,071
Seventh quarter after leaving welfare	\$745	\$855	\$1,104
Eighth quarter after leaving welfare	\$776	\$902	\$1,104
Percent increase: 1 st to 8 th quarter	31.5%	35.6%	42.5%
Ninth quarter after leaving welfare	\$747	\$817	\$1,115
Tenth quarter after leaving welfare	\$736	\$837	\$1,121

Employment Continuity Among the Sample – Respondents Still Off Welfare

- Exhibit C-7 presents data on employment continuity for persons who responded to Round 3 of the surveys and who were still off welfare. Employment continuity is measured in terms of the number of quarters in which respondents had UI earnings during the 10-quarter follow-up period.
- The data show that about 27 percent of the persons who were still off welfare had been employed in all 10 quarters, and that an additional 22 percent had been employed in 8 or 9 quarters.
- Almost 12 percent had been employed in none of the 10 quarters, and almost 30 percent had been employed in 4 or fewer quarters.
- Among the sub-groups, 40 percent of the earned income leavers had earnings in all 10 quarters, compared to only 11 percent of sanctioned leavers, 17 percent of time-limited leavers, and 19 percent of other leavers.

EXHIBIT C-7

NUMBER OF QUARTERS WITH REPORTED UI EARNINGS AMONG ROUND THREE SURVEY RESPONDENTS WHO WERE STILL OFF WELFARE, BY REASON FOR LEAVING WELFARE

Number of Quarters Employed	Earned Income	Sanctions	Time Limit	Other	Total
N	233	206	288	206	908
0 quarters	6.2%	14.8%	11.9%	21.9%	11.7%
1 quarter	3.0%	9.4%	8.4%	4.6%	5.2%
2 quarters	4.0%	5.8%	5.3%	1.9%	4.1%
3 quarters	3.3%	6.8%	3.2%	5.2%	4.3%
4 quarters	2.5%	7.2%	6.0%	6.5%	4.6%
5 quarters	7.2%	7.6%	7.0%	10.1%	7.8%
6 quarters	3.5%	10.2%	10.5%	6.3%	6.2%
7 quarters	6.5%	5.8%	8.3%	7.6%	6.8%
8 quarters	8.2%	10.4%	10.3%	9.5%	9.2%
9 quarters	15.4%	11.2%	12.5%	7.6%	12.6%
10 quarters	40.2%	11.1%	16.6%	18.7%	27.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Employment Continuity Among the Sample – All Sample Members Continuously Off TANF

- Exhibit C-8 presents data on employment continuity for all persons in the sample (including survey non-respondents) who were continuously off TANF during the 10-quarter tracking period, as measured by TANF administrative data.
- The data show that 28 percent of the sample members had UI earnings in all 10 quarters, and that 46 percent had earnings in 8 or more quarters.
- Of the persons who left welfare due to earnings, 42 percent had earnings in all 10 quarters, compared to only 12 percent of sanctioned leavers, 16 percent of the time-limited leavers, and 19 percent of the other leavers.
- Almost 19 percent of the sample members had earnings in no quarters, including 26 percent of sanctioned leavers, and 32 percent of “other” leavers.

**EXHIBIT C-8
NUMBER OF QUARTERS WITH REPORTED UI EARNINGS – ALL
SAMPLE MEMBERS WHO WERE CONTINUOUSLY OFF TANF, BY
REASON FOR LEAVING WELFARE**

Number of Quarters Employed	Earned Income	Sanctions	Time Limit	Other	Total
N	228	188	352	233	935
0 quarters	11.7%	25.8%	11.8%	31.9%	18.6%
1 quarter	3.0%	10.1%	9.0%	6.7%	5.9%
2 quarters	4.1%	8.1%	6.1%	4.2%	5.1%
3 quarters	3.0%	6.4%	5.2%	3.5%	4.0%
4 quarters	2.5%	5.5%	5.5%	4.6%	3.9%
5 quarters	5.9%	6.8%	6.9%	5.1%	6.0%
6 quarters	2.5%	4.8%	9.5%	5.4%	4.6%
7 quarters	5.0%	6.8%	8.4%	4.7%	5.8%
8 quarters	7.5%	9.0%	9.5%	7.1%	8.0%
9 quarters	12.4%	4.4%	12.6%	7.4%	10.0%
10 quarters	42.3%	12.5%	15.6%	19.4%	28.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

B. FOOD STAMP PARTICIPATION

This section presents data from the SCDSS automated Food Stamp system showing rates of Food Stamp participation among all 1,440 sample members in the first two years after leaving welfare. The data are presented for each month in the 36-month period after sample members left welfare.

Overall Rates of Food Stamp Participation, by Reason for Leaving Welfare

- Exhibit C-9 shows the rate of Food Stamp participation among sample members, by the reason for leaving welfare.
- The data show that food stamp participation declined steadily to about 51 percent at 17 months after exit, but then stabilized and increased slightly by the 36th month.
- The data show that Food Stamp participation remained very high among persons who had left welfare due to time limits. At 36 months after leaving welfare, about 80 percent of these leavers were still on Food Stamps.
- In contrast, only 42 percent of the persons who left welfare for “other” reasons were still on Food Stamps at 36 months after leaving welfare. Participation in Food Stamps at 36 months was also relatively low among persons who had left welfare due to earnings (50 percent) and sanctions (60 percent).

**EXHIBIT C-9
PERCENT OF SAMPLE MEMBERS RECEIVING FOOD STAMPS,
BY REASON FOR LEAVING WELFARE**

Percent Receiving Food Stamps	Earned Income	Sanction	Time Limit	Other	Total
1 month after exit	82.8%	77.8%	94.2%	44.9%	74.4%
2 months after exit	75.8%	73.1%	92.1%	45.4%	70.1%
3 months after exit	71.0%	71.2%	91.4%	46.3%	67.6%
4 months after exit	65.5%	67.2%	89.8%	46.7%	64.1%
5 months after exit	63.3%	68.8%	88.6%	45.6%	63.0%
6 months after exit	62.4%	63.8%	87.7%	43.3%	61.0%
7 months after exit	61.0%	63.7%	87.3%	42.3%	60.1%
8 months after exit	60.4%	61.9%	87.9%	42.9%	59.6%
9 months after exit	57.1%	62.3%	87.4%	43.4%	58.2%
10 months after exit	56.7%	60.5%	86.0%	43.9%	57.6%
11 months after exit	54.6%	59.1%	84.8%	42.9%	56.0%
12 months after exit	51.5%	57.1%	84.9%	40.8%	53.7%
13 months after exit	50.1%	59.9%	84.0%	41.0%	53.6%
14 months after exit	48.5%	59.0%	82.2%	40.4%	52.3%
15 months after exit	48.9%	58.8%	84.0%	39.7%	52.5%
16 months after exit	47.7%	57.1%	84.1%	41.0%	51.9%
17 months after exit	46.1%	56.7%	83.2%	41.0%	51.0%
18 months after exit	46.5%	58.3%	84.3%	42.5%	51.9%
19 months after exit	47.1%	58.9%	84.0%	38.9%	51.5%
20 months after exit	48.7%	59.4%	83.2%	38.6%	52.2%
21 months after exit	49.3%	58.9%	82.5%	38.4%	52.2%
22 months after exit	49.2%	59.0%	81.8%	40.2%	52.6%
23 months after exit	47.5%	59.8%	81.4%	41.6%	52.2%
24 months after exit	47.8%	61.4%	81.6%	41.3%	52.6%
25 months after exit	50.3%	60.7%	81.3%	39.1%	53.1%
26 months after exit	49.1%	61.0%	80.8%	39.6%	52.7%
27 months after exit	48.6%	58.2%	80.4%	37.8%	51.4%
28 months after exit	47.2%	60.0%	80.4%	37.3%	51.1%
29 months after exit	48.6%	60.4%	80.3%	39.2%	52.2%
30 months after exit	46.1%	60.3%	80.1%	42.1%	51.6%
31 months after exit	48.0%	59.1%	80.2%	42.5%	52.4%
32 months after exit	49.9%	60.3%	79.5%	42.5%	53.4%
33 months after exit	48.9%	60.4%	79.7%	43.8%	53.3%
34 months after exit	49.7%	60.8%	78.9%	42.7%	53.4%
35 months after exit	49.3%	61.6%	79.3%	43.0%	53.5%
36 months after exit	50.0%	59.8%	80.4%	42.2%	53.4%

C. TANF PARTICIPATION

TANF Recidivism, by Reason for Leaving Welfare

- Exhibit C-10 shows the rate of TANF participation among sample members after leaving welfare, by reason for leaving welfare.
- The data indicate that the overall rate of recidivism peaked at 9 percent in the 8th month after leaving TANF and did not decline very much afterwards.
- At 36 months, recidivism was highest among persons who had left welfare due to sanctions (10.6 percent).

**EXHIBIT C-10
PERCENT OF SAMPLE RECEIVING TANF,
BY REASON FOR LEAVING WELFARE**

Percent Receiving TANF	Earned Income	Sanction	Time Limit	Other	Total
1 month after exit	0.0%	0.0%	0.0%	0.0%	0.0%
2 months after exit	0.3%	0.3%	0.0%	0.0%	0.2%
3 months after exit	3.6%	4.5%	0.0%	2.4%	3.2%
4 months after exit	4.8%	7.1%	0.0%	5.5%	4.9%
5 months after exit	5.8%	10.2%	0.0%	8.2%	6.6%
6 months after exit	7.7%	10.7%	0.0%	10.0%	8.1%
7 months after exit	7.2%	12.7%	0.3%	9.3%	8.1%
8 months after exit	8.9%	14.4%	0.3%	8.2%	9.0%
9 months after exit	7.8%	12.9%	0.3%	8.1%	8.2%
10 months after exit	7.8%	14.0%	0.0%	7.0%	8.1%
11 months after exit	6.5%	12.8%	0.0%	7.6%	7.4%
12 months after exit	7.2%	11.4%	0.0%	7.0%	7.3%
13 months after exit	7.8%	8.8%	0.6%	7.1%	7.1%
14 months after exit	6.6%	9.1%	0.9%	6.7%	6.5%
15 months after exit	7.9%	9.8%	0.6%	6.7%	7.3%
16 months after exit	10.0%	10.6%	0.4%	6.6%	8.4%
17 months after exit	9.3%	11.4%	0.4%	8.2%	8.6%
18 months after exit	6.8%	12.0%	0.4%	7.0%	7.3%
19 months after exit	6.7%	11.7%	0.3%	7.3%	7.2%
20 months after exit	7.5%	12.0%	0.3%	8.5%	7.9%
21 months after exit	8.3%	12.5%	0.1%	8.4%	8.3%
22 months after exit	7.8%	12.0%	0.4%	8.6%	8.1%
23 months after exit	6.8%	10.6%	0.4%	8.4%	7.3%
24 months after exit	8.1%	10.4%	0.3%	7.6%	7.7%
25 months after exit	8.3%	9.4%	0.3%	7.1%	7.4%
26 months after exit	10.1%	10.3%	0.3%	6.2%	8.3%
27 months after exit	10.8%	10.3%	0.3%	5.3%	8.4%
28 months after exit	10.3%	9.4%	0.4%	6.9%	8.3%
29 months after exit	9.3%	8.9%	0.4%	5.9%	7.6%
30 months after exit	8.6%	10.5%	0.4%	7.4%	7.9%
31 months after exit	8.5%	10.7%	0.4%	8.0%	8.0%
32 months after exit	9.5%	11.7%	0.3%	7.6%	8.6%
33 months after exit	8.5%	11.6%	0.6%	6.5%	7.9%
34 months after exit	10.2%	11.0%	0.6%	5.9%	8.4%
35 months after exit	10.2%	11.1%	0.6%	8.3%	9.0%
36 months after exit	8.5%	10.6%	0.6%	8.1%	8.0%

D. MEDICAID PARTICIPATION

Medicaid Participation, by Reason for Leaving TANF

- Exhibit C-11 shows the percent of cases in which the adult or any children in the case were receiving Medicaid after leaving TANF, by reason for leaving TANF.
- The data show that, even at 36 months after leaving TANF, 87 percent of the cases had an adult or child on Medicaid.
- During the first year after leaving TANF, Medicaid participation was relatively low among persons who had left TANF for “other” reasons.
- However, Medicaid participation among this group increased in the second year, reaching more than 80 percent in month 28.
- Medicaid participation was highest among the time-limited leavers.

**EXHIBIT C-11
PERCENT OF SAMPLE RECEIVING MEDICAID,
BY REASON FOR LEAVING WELFARE**

Percent Receiving Medicaid	Earned Income	Sanction	Time Limit	Other	Total
1 month after exit	98.6%	96.4%	99.6%	54.4%	88.5%
2 months after exit	97.0%	95.6%	99.6%	53.3%	87.4%
3 months after exit	97.4%	94.3%	99.6%	55.0%	87.6%
4 months after exit	96.4%	94.3%	99.2%	59.6%	88.1%
5 months after exit	95.9%	93.7%	99.2%	63.9%	88.7%
6 months after exit	94.9%	93.1%	98.6%	67.9%	89.0%
7 months after exit	93.3%	92.8%	98.6%	69.7%	88.5%
8 months after exit	92.3%	92.2%	98.6%	71.6%	88.4%
9 months after exit	91.5%	91.8%	98.0%	73.0%	88.1%
10 months after exit	91.2%	92.0%	97.8%	72.4%	87.9%
11 months after exit	90.3%	91.6%	97.8%	73.0%	87.6%
12 months after exit	89.7%	90.0%	97.8%	72.8%	86.9%
13 months after exit	90.5%	83.7%	94.6%	72.8%	85.6%
14 months after exit	90.5%	80.8%	92.4%	71.9%	84.6%
15 months after exit	91.6%	80.4%	92.3%	71.8%	85.0%
16 months after exit	91.3%	80.0%	93.5%	72.5%	85.0%
17 months after exit	90.9%	80.1%	93.6%	72.8%	85.0%
18 months after exit	90.4%	80.7%	92.8%	72.9%	84.8%
19 months after exit	90.4%	81.6%	92.9%	72.1%	84.8%
20 months after exit	89.6%	81.6%	92.4%	72.2%	84.4%
21 months after exit	89.2%	82.5%	92.6%	73.2%	84.6%
22 months after exit	90.2%	83.4%	94.2%	74.5%	85.7%
23 months after exit	88.7%	84.3%	94.7%	74.5%	85.3%
24 months after exit	88.3%	84.3%	94.1%	74.5%	85.0%
25 months after exit	87.6%	83.6%	94.4%	73.7%	84.4%
26 months after exit	88.0%	84.6%	94.7%	76.5%	85.4%
27 months after exit	88.0%	84.6%	95.1%	79.2%	86.1%
28 months after exit	88.1%	84.0%	95.2%	81.2%	86.4%
29 months after exit	88.8%	83.8%	95.2%	81.2%	86.7%
30 months after exit	91.3%	84.1%	95.6%	80.3%	87.8%
31 months after exit	88.0%	82.3%	95.0%	76.3%	84.9%
32 months after exit	89.2%	82.9%	96.2%	76.0%	85.6%
33 months after exit	88.4%	83.2%	96.2%	74.8%	85.1%
34 months after exit	89.8%	84.3%	95.8%	76.3%	86.2%
35 months after exit	89.7%	85.3%	95.3%	75.1%	86.1%
36 months after exit	90.1%	85.9%	95.6%	77.7%	87.0%

APPENDIX D: DATA ON ASPE’S COMMONLY REPORTED ADMINISTRATIVE DATA OUTCOMES

This Appendix presents data on DHHS/ASPE’s “commonly reported administrative data outcomes.” The Appendix does not contain information on child care utilization. The two exhibits following this page present the ASPE data in the prescribed format for all single-parent welfare leavers in the survey sample, including persons who were back on welfare at the time of the surveys. The data on UI earnings includes all cases and does not exclude cases with less than \$100 in earnings in a specific quarter (in contrast to the data in Appendix C).

A. COMMONLY REPORTED ADMINISTRATIVE DATA OUTCOMES

**EXHIBIT D-1-A
COMMONLY REPORTED ADMINISTRATIVE DATA OUTCOMES
FOR LEAVERS (THROUGH 4TH QUARTER)**

	Qtr before Exit	Qtr of Exit	1st Qtr after Exit	2nd Qtr after Exit	3rd Qtr after Exit	4th Qtr after Exit
Single Parent Leavers: N = 1,213						
Employment Outcomes:						
(2) Employment Rate (% with any earnings over quarter) (%)	60.5%	68.7%	66.7%	67.6%	66.9%	63.6%
(3) Mean Quarterly Earnings (across those with earnings)	\$1,412	\$1,668	\$1,997	\$2,144	\$2,238	\$2,419
(4) Median Quarterly Earnings (across those with earnings)	\$1,240	\$1,558	\$1,907	\$1,862	\$1,989	\$2,253
Recidivism (reported by quarter)						
(6) Receiving TANF(%)	no data	no data	3.4%	8.8%	11.7%	10.9%
Other Program Benefits (reported by quarter)						
(8a) Participating in Medicaid (%)	no data	no data	70.7%	71.3%	70.0%	67.5%
(8b) Participating in Medicaid (Children) (%)	no data	no data	88.6%	88.0%	88.4%	86.2%
(9) Receiving Food Stamps (%)	no data	no data	77.6%	68.1%	64.3%	61.0%

**EXHIBIT D-1-B
COMMONLY REPORTED ADMINISTRATIVE DATA OUTCOMES
FOR LEAVERS (5TH THROUGH 10TH QUARTER)**

Single Parent Leavers: N = 1,213	5th Qtr after Exit	6th Qtr after Exit	7th Qtr after Exit	8th Qtr after Exit	9th Qtr after Exit	10th Qtr after Exit
Employment Outcomes:						
(2) Employment Rate (% with any earnings over quarter) (%)	62.6%	61.9%	61.7%	58.1%	58.9%	57.0%
(3) Mean Quarterly Earnings (across those with earnings)	\$2,422	\$2,469	\$2,581	\$2,642	\$2,413	\$2,496
(4) Median Quarterly Earnings (across those with earnings)	\$2,214	\$2,222	\$2,352	\$2,415	\$2,248	\$2,272
Recidivism (reported by quarter)						
(6) Receiving TANF(%)	10.7%	10.4%	10.0%	9.8%	9.9%	11.2%
Other Program Benefits (reported by quarter)						
(8a) Participating in Medicaid (%)	67.0%	65.3%	65.6%	65.1%	66.8%	72.9%
(8b) Participating in Medicaid (Children) (%)	85.1%	82.9%	83.3%	83.3%	84.8%	88.4%
(9) Receiving Food Stamps (%)	57.7%	56.0%	56.4%	56.5%	57.0%	57.1%

**EXHIBIT D-1-C
COMMONLY REPORTED ADMINISTRATIVE DATA OUTCOMES
FOR LEAVERS (SUMMARY ACROSS 10 QUARTERS)**

Single Parent Leavers: N = 1,213	(5) Ever empl. over 10 Qtrs
Employment Outcomes:	
(2) Employment Rate (% with any earnings over quarter) (%)	88.9%
(3) Mean Quarterly Earnings (across those with earnings)	\$16,318
(4) Median Quarterly Earnings (across those with earnings)	\$13,091
Recidivism (reported by quarter)	Ever on in 10 Qtrs
(6) Receiving TANF(%)	31.6%
Other Program Benefits (reported by quarter)	
(8a) Participating in Medicaid (%)	88.5%
(8b) Participating in Medicaid (Children) (%)	97.7%
(9) Receiving Food Stamps (%)	88.1%

B. ADDITIONAL ADMINISTRATIVE DATA OUTCOMES

**EXHIBIT D-2-A
 ADDITIONAL ADMINISTRATIVE DATA OUTCOMES
 FOR LEAVERS (THROUGH 4TH QUARTER)**

Single Parent Leavers: N = 1,213	Qtr before Exit	Qtr of Exit	1st Qtr after Exit	2nd Qtr after Exit	3rd Qtr after Exit	4th Qtr after Exit
(A-1) Employed in All 10 Qtrs (%)	--	--	--	--	--	--
(A-2) Mean Earnings of Those Employed in All 10 Qtrs (\$)	\$1,621	\$1,891	\$2,315	\$2,635	\$2,735	\$2,883
(A-3) Median Earnings of Those Employed in All 10 Qtrs (\$)	\$1,433	\$1,778	\$2,219	\$2,342	\$2,610	\$2,720
(A-4) Leavers with Quarterly Earnings >=\$500 (%)	44.0%	54.7%	55.7%	57.7%	54.2%	53.3%
Recidivism (reported by quarter)						
(A-5) Entering TANF, by quarter of entrance (%)	no data	no data	3.4%	5.4%	5.4%	2.8%
Other Program Benefits						
(A-6) Continuous Leavers Participating in Medicaid (Adults)(%)	no data	no data	72.1%	70.2%	67.7%	64.5%
(A-6b) Continuous Leavers Participating in Medicaid (Kids)(%)	no data	no data	87.8%	85.9%	85.5%	83.0%
(A-7) Continuous Leavers Receiving Food Stamps (%)	no data	no data	75.6%	63.2%	57.5%	53.5%
(A-8) Not receiving TANF, Food Stamps or Medicaid (%)	no data	no data	10.8%	14.5%	16.9%	18.5%
(A-9) No earnings, no TANF, no Food Stamps or Medicaid (%)	no data	no data	6.5%	9.1%	9.2%	10.4%

**EXHIBIT D-2-B
ADDITIONAL ADMINISTRATIVE DATA OUTCOMES
FOR LEAVERS (5TH THROUGH 10TH QUARTER)**

Single Parent Leavers: N = 1,213	5th Qtr after Exit	6th Qtr after Exit	7th Qtr after Exit	8th Qtr after Exit	9th Qtr after Exit	10th Qtr after Exit
(A-1) Employed in All 10 Qtrs (%)	--	--	--	--	--	--
(A-2) Mean Earnings of Those Employed in All 10 Qtrs (\$)	\$2,880	\$2,976	\$3,093	\$3,147	\$3,143	\$3,092
(A-3) Median Earnings of Those Employed in All 10 Qtrs (\$)	\$2,765	\$2,889	\$2,930	\$3,119	\$3,108	\$2,960
(A-4) Leavers with Quarterly Earnings >=\$500 (%)	53.2%	53.2%	53.0%	50.8%	49.8%	49.5%
Recidivism (reported by quarter)						
(A-5) Entering TANF, by quarter of entrance (%)	3.3%	2.6%	2.7%	1.2%	0.2%	0.1%
Other Program Benefits						
(A-6) Continuous Leavers Participating in Medicaid (Adults)(%)	62.4%	60.5%	60.3%	60.0%	58.8%	64.7%
(A-6b) Continuous Leavers Participating in Medicaid (Kids)(%)	80.5%	78.3%	78.5%	79.0%	80.9%	85.2%
(A-7) Continuous Leavers Receiving Food Stamps (%)	48.9%	47.6%	48.0%	47.1%	45.5%	44.9%
(A-8) Not receiving TANF, Food Stamps or Medicaid (%)	20.2%	21.9%	22.5%	23.0%	15.1%	11.1%
(A-9) No earnings, no TANF, no Food Stamps or Medicaid (%)	10.9%	11.1%	12.9%	13.2%	11.1%	7.7%

**EXHIBIT D-2-C
 ADDITIONAL ADMINISTRATIVE DATA OUTCOMES
 FOR LEAVERS (SUMMARY ACROSS 10 QUARTERS)**

	(5) Empl. over all 10 Qtrs
Single Parent Leavers: N = 1,213	
(A-1) Employed in All 10 Qtrs (%)	26.4%
(A-2) Mean Earnings of Those Employed in All 10 Qtrs (\$)	\$29,118
(A-3) Median Earnings of Those Employed in All 10 Qtrs (\$)	\$27,658
(A-4) Leavers with Quarterly Earnings >=\$500 (%)	
Recidivism (reported by quarter)	
(A-5) Entering TANF, by quarter of entrance (%)	31.6%
Other Program Benefits	
(A-6) Continuous Leavers Participating in Medicaid (Adults)(%)	82.8%
(A-6b) Continuous Leavers Participating in Medicaid (Kids)(%)	96.9%
(A-7) Continuous Leavers Receiving Food Stamps (%)	83.0%
(A-8) Not receiving TANF, Food Stamps or Medicaid (%)	
(A-9) No earnings, no TANF, no Food Stamps or Medicaid (%)	