



Report #5

Alameda County
CalWORKs Needs Assessment
and Outcomes Study

**The Relationship of Barriers, Supportive
Services, Income, and Health Insurance
with Work and Welfare over 27 Months**

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For more information about the Alameda County CalWORKs program, contact James Cunniff (JCunniff@co.alameda.ca.us), Management Analyst, at the Social Services Agency, (510) 271-9145; or Maxine Heiliger (heiliger@bhcs.mail.co.alameda.ca.us), CalWORKs Coordinator, at the Department of Behavioral Health Care Services, (510) 567-8102. For more information about the study, contact Richard Speigman (richards@phi.org) at the Public Health Institute, (510) 649-1987. Copies of this report and copies of Reports #1, #2, #3, and #4 can be found at www.phi.org on the *What's New* page.

ABSTRACT

This three-wave, longitudinal panel study followed a representative sample of adults who were recipients of CalWORKs cash benefits in Alameda County, California, in October 1998. Face-to-face interviews were conducted in English, Spanish, or Vietnamese at Baseline, 15 months (Wave 2), and 27 months (Wave 3). Over the course of the study, “full-time” employment nearly doubled from 26 to 47 percent, receipt of cash welfare and other public assistance declined from 94 to 65 percent, and reports of health-related and non-health-related potential barriers to employment dropped. For most participants, household income rose. Receipt of community-based services was generally high for those who indicated need and showed some service-specific increases over the 27-month period. These results, while positive, are balanced by evidence that movement along the path towards self-sufficiency is not only slow but also does not include all welfare recipients. Full-time employment rates rose only 2 percent between Wave 2 and Wave 3. The uptake of CalWORKs-sponsored child care and transportation benefits was low, despite the fact that child care and transportation barriers were consistently found to be associated with lack of full-time work in multivariate analyses. Although incomes had increased over the study period, respondent households were still living well below estimates of what it costs to make ends meet. Loss of health insurance coverage became increasingly evident over time, as more study participants departed welfare. In addition, positive changes were not necessarily enduring, as respondents moved in and out of employment and different health and non-health barrier statuses. The fact that Wave 3 respondents with the most barriers were almost twice as likely to be working full-time compared to their Wave 2 counterparts suggests that the motivation to work full-time may prove to be stronger than potential barriers to work, especially in the face of impending federal and state time limits. However, one must wonder whether unresolved barriers will remain under workers’ control for long and how workers’ limitations will play out in terms of their continued employment and effects on their families.

EXECUTIVE SUMMARY

Issue

The Alameda County CalWORKs Needs Assessment and Outcomes Study is a three-wave, 27-month, longitudinal panel study of a representative sample of 512 adults who received CalWORKs cash benefits in Alameda County, California, in October 1998. The purposes of the study are to: (1) identify and monitor over time potential barriers to working among the California CalWORKs population, with particular emphasis on health-related barriers, (2) assess associations among potential barriers and welfare, work, and income outcomes, and (3) determine critical service and treatment elements in CalWORKs training, work-readiness, and behavioral health care service programs to assist Alameda County in planning for the service needs of its welfare clients. This report additionally examines the stability of health insurance coverage over time and the effect of welfare reform on the number of child welfare cases.

Research Questions

The study addresses the following research questions:

- (1) What is the prevalence of potential barriers to employment and successful departure from welfare among Alameda County CalWORKs recipients at the beginning of welfare reform?
- (2) Do the prevalence of potential barriers and the individuals experiencing them change over time? Are some potential barriers more enduring than others?
- (3) What is the association between potential barriers and work- and welfare-related outcomes? That is, do hypothesized barriers constitute real barriers to work?
- (4) What is the work and welfare status of study respondents over time? Are respondents able to find jobs and leave welfare?
- (5) What are the income sources, income amounts, and economic well-being of welfare families? Does the share of public assistance versus earnings income change over time? Does work pay better than welfare?

- (6) What types of CalWORKs and community services are needed and used by welfare recipients? What is the association of this usage with work-related and welfare-related outcomes?
- (7) What is the impact of welfare reform on child welfare?
- (8) What is the stability of health insurance coverage over time for recipients and their children, and what is the association of this usage with work-related and welfare-related outcomes?

Analytical and Methodological Procedures

Data collection. Baseline data were collected in face-to-face interviews of 512 individuals between November 1998 and May 1999. First follow-up (Wave 2) interviews with 449 of the original study participants 15 months post-baseline took place between February and August 2000, a response rate of 88 percent. Second follow-up (Wave 3) interviews with 430 study participants started February 2001 and were completed August 2001, with a response rate of 84 percent. A comparison of Baseline and Wave 3 respondents in terms of their responses to Baseline questions detected no significant differences on characteristics for the two groups. Interviews were conducted by trained interviewers in English, Spanish, or Vietnamese, in a private place, most often in the respondent's home. Interviews were voluntary, completely confidential, and, at Wave 3, lasted, on average, seventy minutes.

Survey instrument. The survey instrument was designed to collect information on the needs and welfare reform outcomes of CalWORKs recipients, with a particular focus on health-related issues and problems that may constitute barriers to employment and leaving welfare. The following topics were included: (1) demographics, education, county residency, and language, (2) housing, household composition, and family relationships, (3) work, income, and welfare activities, (4) hunger and other hardships, (5) need for child care, transportation, health, and other services, and reports of services received, and (6) personal status in key barrier and risk factor areas, including alcohol, tobacco, and other drug use, mental health, family violence, Child Protective Services (CPS) involvement, criminality, and physical health. A series of questions asks about the status of a focal child on the case, chosen at random. The resulting dataset is one of few nationwide containing information on a wide

range of potential risk factors for welfare dependency.

Analytical method. In the main, study findings are presented in terms of descriptive statistics, namely means, frequencies, and percentages, so that results are accessible to as wide an audience as possible. Multivariate analysis, in the form of logistic regression, is used to assess the independent contribution of individual potential barriers on work status while controlling for other factors.

Previous Reports

The Public Health Institute has previously issued four reports from the Alameda County CalWORKs Study based on Baseline and Wave 2 findings, including the characteristics of the study sample, the prevalence rates for 17 potential barriers to obtaining and maintaining employment and leaving welfare, the association of selected barriers with employment status, Alameda County's implementation of Welfare Reform, and the progress of study participants through the CalWORKs program. Reports of Wave 2 additionally address household incomes, the degree to which individuals identified as experiencing potential health-related barriers to employment were getting the services they needed, and the need and receipt of child care services.

Overview of Findings

In the course of the 27-month Alameda County CalWORKs Needs Assessment and Outcomes Study, full-time employment increased, receipt of cash welfare and other public assistance declined, and reports of health-related and non-health-related potential barriers to employment dropped. For most participants, incomes rose. However, a residual proportion of the study sample had diminished incomes, engaged in no work, and relied on fewer public benefits.

The prevalence of full-time employment, as defined by CalWORKs, increased from Baseline to Wave 2, but between Wave 2 and Wave 3 there was little change, with 44.5 percent of the sample working 32 or more hours a week at Wave 2 and 46.5 percent working full-time at Wave 3, one year later. While the number of respondents on welfare and not working

declined in number from Wave 2 to Wave 3, there were increases not only in those off welfare and working but also in those off welfare and not working, or working less than full-time. Significantly, one-third of respondents working full-time at Wave 2 were no longer working that much at Wave 3, with different study participants becoming full-time workers. Overall, despite a noteworthy decline in the prevalence of many potential barriers, we found that the presence of many barriers remained substantial across the three interview waves.

We now turn to a more detailed review of study findings, organized sequentially by report section.

Section 1. Wave 3 Sample

- The Wave 3 response rate was 84%. Four-hundred-thirty respondents of the original 512 respondents interviewed at Baseline in 1998/1999 were interviewed again in 2001 at Wave 3.
- A comparison of Baseline and Wave 3 respondents in terms of demographic, barriers, and outcomes characteristics measured at Baseline showed no significant differences, supporting the conclusion that the Wave 3 sample is representative of the Baseline sample. Although not statistically significant, the disproportionately high rate of refusals to be interviewed among Vietnamese-speaking study subjects at Wave 3 suggests that any results specific to the Vietnamese sub-group should be interpreted with caution.

Section 2. Prevalence of Selected Barriers to Employment and Successful Departure from Welfare

- A noteworthy decline in prevalence of virtually all health-related potential barriers was evident between Baseline and Wave 3. Nevertheless, health-related potential barriers still remained evident at interviews 27 months post-Baseline:
 - Heavy drinking, alcohol dependence, daily drug use, frequent drug use, partner violence, and partner control each had a prevalence of at least four percentage points (Table 2-2).

- Physical health problems and limitations and fair to poor health were reported by 18 to 45 percent of Wave 3 respondents (Table 2-2).
- Mental health problems represented potential barriers for 10 to 28 percent of respondents (Table 2-2).
- The prevalence of most non-health-related potential barriers also fell between Baseline and Wave 3. In both absolute terms and as proportions, the decreases were greater than the declines in health-related barriers, although the prevalence of these non-health barriers was generally higher overall at Baseline.
 - Most notably, there was a drop by three-quarters in the number of respondents indicating an unresolved need for evening child care (Table 2-3).
 - Few work skills declined by 14.9 percentage points, a 56 percent drop from Baseline prevalence (Table 2-3).
 - The transportation barrier (no car and/or no driver's license) declined by 14.1 points, or 22 percent (Table 2-3).
 - Due for the most part to respondents' changed living situations involving additional adults, the prevalence of the solo parent barrier decreased by 9.7 points, or 22 percent, from Baseline to Wave 3 Table 2-3.
- Despite decreases in the prevalence of non-health-related potential barriers, the prevalence of many of these barriers remained substantial, even at Wave 3.
 - The prevalence of respondents without a car and/or without a driver's license was nearly 50 percent at Wave 3 and even higher at previous waves (Table 2-3).
 - Limited education was characteristic of about a third or more of respondents at all interview waves (Table 2-3).
 - At all three waves about one in five respondents faced the challenge of caring for a special needs child (Table 2-3).
- The potential barriers that we monitored most closely were, overall, pervasive but transient. That is, individuals with a barrier tended to have it at fewer rather than at more of the interview waves (Table 2-4).

- The finding of transiency did not apply in the case of the transportation, English language, education, three or more minor children, and two or more health problem barriers. In each case, 40 percent or more of those who experienced the barrier at least once experienced it at all three interview waves (Table 2-4).
- At Wave 3 respondents with the most barriers (seven or more) were fewer in number than at previous waves (Table 2-6) and almost twice as likely to be working full-time, compared to their Wave 2 counterparts (Figure 2-3).
- Otherwise, there was little difference between Wave 2 and Wave 3 in the proportion of respondents working at least 32 hours weekly at the time of interview as a function of the number of potential barriers they were found to have (Figure 2-3).

Section 3. Association between Potential Barriers and Work- and Welfare-Related Outcomes at Wave 3

- Little change in full-time work was evident between Wave 2 and Wave 3. At Wave 2, 44.5 percent of the sample was working 32 or more hours a week compared to 46.5 percent a year later at Wave 3 (Table 3-1).
- On the positive side, a drop in the proportion of respondents on welfare and not working from Wave 2 to Wave 3 was mirrored by a similar increase in the proportion off welfare and working 32 or more hours. However, worrisome increases were evident in the increased proportion of respondents off welfare and not working or working less than full-time (Figure 3-1).
- Between Baseline and Wave 3 the number of study participants essentially not in the labor force – those *not looking* for work and *not working* at least one hour weekly – declined 14.2 percent. In the same time period the number *not looking* for work and *working* 32 or more hours weekly increased 15.4 percent. The number of respondents *looking for work* and *working* 32 or more hours weekly increased 5.3 percent (Table 3-2).

- One-third of respondents working full-time at Wave 2 (56 of 179) were no longer working that much at Wave 3. Most respondents offered job-related reasons for no longer working full-time, the most common of which was that full-time work was not available (Tables 3-3, 3-4). These results, in combination with the finding that the percentage of respondents working full-time increased only 2 percent from Wave 2 to Wave 3, suggest that full-time work may be both hard to find and hard to keep.
- Not all barriers associated with working 32 or more hours a week at Wave 2 in bivariate analyses, unadjusted for other factors, retained that association at Wave 3. Six of ten health-related barriers and eight of twelve non-health-related barriers showing significant associations at Wave 2 seemingly no longer had an impact on work status twelve months later at Wave 3 (Tables 3-5, 3-6).
- The loss of significance of relationships between barriers and work status at Wave 3 compared to Wave 2 was also evident in multivariate analyses at Wave 2 and Wave 3 of the association between 19 potential barriers and two additional sociodemographic characteristics and working full-time. While at Wave 2 *needs more child care* and *anxiety* each had a significant negative relationship with working 32 or more hours a week, these relationships no longer held true at Wave 3. The relationship of *alcohol dependence* with full-time work changed completely, from a significant negative association at Wave 2 to a positive association at Wave 3. We surmise that the cumulative effect of welfare-to-work activities, plus the impending imposition of Federal and State time limits on welfare receipt, may be partly responsible for lack of influence of what may otherwise have proved to be serious barriers to working full-time (Table 3-8).
- At both Wave 2 and Wave 3, *lack of regular family child care*, *no car and/or no driver's license*, *longer welfare history*, and *two or more functional limitations* were all negatively associated with work status in multivariate analyses. *Lack of family child care* and *functional limitations* gained in significance between the two interview waves. The transportation and child care results clearly reinforces the strong importance of logistic support for work (Tables 3-5, 3-6, 3-8).

- Three measures of physical health found to be significantly associated with being on *welfare* at Wave 2 were no longer significantly associated with welfare status at Wave 3 in bivariate analyses. The disappearance of significant relationships was also seen for five of ten non-health-related barriers with welfare status at Wave 2 versus Wave 3. Barriers with significance at both waves were *limited education*, *fewer than five work skills*, having *three or more minor children*, and a *longer welfare history* at baseline. Barriers not significantly associated with welfare status at Wave 2 but found positively associated at Wave 3 included *lacks family child care* and *limited English proficiency*. *Criminal justice involvement* became negatively associated with Wave 3 welfare status (Tables 3-9, 3-10).

Section 4. Assessment of Sources and Amounts of Income and Economic Well-Being at Wave 3 and Changes across Waves

- During the 27-month follow-up period, the percentage of households receiving income from any public source other than a housing subsidy declined from 94.2 percent at Wave 1 to 77.3 percent at Wave 2 and 65.4 percent at Wave 3 (Table 4-1).
- Receipt of CalWORKs cash assistance decreased from 91.2 percent at Wave 1 to 62.6 percent at Wave 2 to 48.2 percent at Wave 3 (Table 4-1).
- In addition to declining prevalence of receipt of CalWORKs cash assistance across interview waves, respondent households also moved away from receipt of Food Stamps and WIC vouchers (Table 4-1). While receipt of transportation vouchers increased from Baseline to Wave 2, at Wave 3 the prevalence of households receiving transportation vouchers declined to below the Baseline level (Table 4-1).
- No corresponding change toward greater reliance on the County's General Assistance program was evident (Table 4-1).
- A noteworthy shift to SSI/SSDI benefits took place over the 15-month interval between Baseline and Wave 2. By Wave 2 more than twice the number of study participants were in households receiving those disability benefits, and the number

remained essentially constant at Wave 3 (Table 4-1). However, the increase in percentage of households receiving SSI/SSDI may be attributed to changes in household composition or to underreporting at Baseline, when, unlike subsequent questionnaires, the interview did not explicitly ask about receipt of SSI/SSDI but captured mentions in an “other” category of public assistance.

- Since these are reports on household receipt of benefits and income, it should be noted, we cannot tell whether the respondent her/himself was eligible for benefits. Hence, change in prevalence may be because respondent’s status changed, the status of another member of the household changed, or the composition of the respondent’s household changed.
- *For those households receiving any form of public assistance*, the dollar amount received declined over time, from a monthly average of \$771 per household at Wave 1 to \$706 at Wave 3 (Table 4-2).
- Disregarding the value of housing subsidies, at Baseline the average monthly value of public assistance, among households that received any public assistance, was \$198 per household member. At Wave 3, the monthly per capita value of public assistance declined 21 percent to \$156 (data not presented tabularly).
- The largest share of “earned” income was from regular employment (Table 4-3). Slightly over half of respondent households had employment income from work at a regular job or business at Baseline, with a sample average of \$563 in the last 30 days (Table 4-4). An additional 18 percent of respondent households (or a total of 71.0%) had such regular employment income at Wave 3, with a sample monthly average of \$1,165, a notable increase. Among only households reporting work at a regular job, monthly average income increased 52 percent, from \$1,144 to \$1,735. Again, it must be noted that income changes may be attributed to change in the respondent’s employment income, change in employment income among other household members, and/or change in composition of the household.

- Across the three interview waves, from 8.1 to 13.4 percent of respondents also mentioned income from unreported work, but this income never averaged more than the \$26 monthly sum reported at Wave 3 (Tables 4-3, 4-4).
- Other sources of income were many, and for those individuals receiving the particular form of income the dollar amount may have been relatively large. Overall, however, examined across the entire study group, dollars received were relatively few. The highest amount of other income at Wave 3, received by 18% of respondents, was a monthly average of \$43 in child support for all study participants (Tables 4-3, 4-4). Additionally, seven percent of Wave 3 households reported receipt of retirement or pension income, providing an average of \$40 monthly across the entire study group. Just under one in ten respondents described income from loans or gifts, amounting to a sample average of \$20 at Wave 3. Each of the other forms of income was received by fewer than five percent of respondents and accounted for less than \$20 in monthly income for the sample as a whole.
- In total, 83.3 percent of Wave 3 respondents reported household income from earnings or other non-public sources, an increase of about five percentage points from Baseline or Wave 2 (Table 4-3). Total monthly income value for those receiving such income amounted to \$1,642, an increase of 17 percent from Wave 2 and a total increase of 62 percent from Baseline (Table 4-4). As we have already noted, these increases may be due to changes in household composition, including increased household size and/or changes in the respondent's or other household members' employment income, since Baseline.
- Total monthly household income from public and non-public sources, except for the value of housing subsidies, rose, from \$1,508 at Wave 1 to \$1,830 by Wave 3, a net increase of 21 percent (Table 4-5, Figure 4-1). The median income increased 17 percent, from \$1,275 at Baseline to \$1,497 at Wave 3 (Figure 4-2).
- The total monthly household income of respondents off welfare and working 32 or more hours a week rose 15 percent from an average of \$2,159 at Wave 2 to \$2,479 at Wave 3 (Figure 4-3). These figures exceed the total monthly household incomes of

families on welfare at Wave 2 and 3, regardless of work status. This increase in income was accompanied by an increase in the prevalence of respondent households in this welfare/work status, from 28.5 percent at Wave 2 to 36.4 percent at Wave 3 (Figure 4-4). These results support the premise that work “makes a difference” in the economic lives of former welfare recipients.

- While more respondents have transitioned off welfare, are working 32 or more hours per week, and are experiencing higher monthly incomes on average than at previous waves, a disheartening proportion of respondents at Wave 3 are either no better off or even worse off economically than before. At Wave 3 we saw an increase in the prevalence of respondents off welfare and working part-time to 5.3 percent, from a Wave 2 prevalence of 3.3 percent (Figure 4-4). At the same time, the total average monthly household income for this group dropped a substantial 32 percent, from \$2,382 to \$1,619 (Figure 4-3).
- The proportion of respondent households below the poverty line declined from 60.6 percent at Baseline, to 53.8 percent at Wave 2 and 47.2 percent at Wave 3 (Figure 4-5). These estimates do not account for the possible value of housing subsidies, but, by including the value of certain non-cash aid, our computations produce somewhat more optimistic pictures compared to calculations based on official poverty statistics.
- While the percentage of respondents living at 150% of the poverty line or better increased from 14.4 percent to 27.3 percent over the course of the study, and the percentage living at 51 percent to 100 percent of poverty decreased substantially, the percentage living at 50% poverty or less increased at a comparable rate, from 6.3 percent to 11.6 percent (Figure 4-6). These figures do not take into account the high cost of living in Alameda County.

Section 5. Types of Services Used by Welfare Recipients and Association of Usage with Work-Related Outcomes

- Study participants' assessments of their need for services were very low for substance abuse and physical violence (5% or less at each wave), moderate for prenatal and mental health care (between 6.5% and 17.9%), and substantial for physical health, child care and transportation (between 17.9% and 50.7%) (Figure 5-2).
- Among respondents reporting a need for help, receipt of help was generally high, but change was evident across interview waves (Figure 5-3). Help for respondents with prenatal health needs was consistently high. There was a decline in the percentage of respondents receiving help for a physical health problem with which they reported needing help, dropping from 89.3 percent at Wave 1 to 69.9 percent at Wave 3. Help for those with mental health concerns increased from 58.3 percent at Wave 1 to 75.5 percent at Wave 3. The percentage of respondents receiving help with an alcohol or drug problem or with a physical violence problem fell from Wave 1 to Wave 3, but in light of the small numbers involved it is difficult to conclude that any real program or policy change took place.
- Between Waves 1 and 2, noteworthy increases were evident in the percentage of respondents with child care and transportation needs getting their needs met. The percentage of respondents with child care problems who reported getting needed help increased from 64.2 percent at Wave 1 to 80.6 percent at Wave 2. For respondents with transportation problems, the prevalence of receipt of needed help jumped from 43.1 percent at Wave 1 to 66.7 percent at Wave 2.
- Looking specifically at benefits provided through the CalWORKs program, the uptake of CalWORKs child care and transportation payments was fairly low at all three interview waves, reaching a peak at Wave 2 of 24 percent for child care and 15 percent for transportation, and declining thereafter, to 17 percent and 8 percent, respectively (Table 5-1, Figure 5-1). Subsequent declines in uptake of these logistic

supports are undoubtedly linked to the documented declining participation in the CalWORKs program by Wave 3.

- Receipt of CalWORKs child care benefits was significantly positively associated with working full-time (Table 5-2).
- Prevalence of full-time work was insignificant and virtually indistinguishable for those with versus without CalWORKs transportation services (Table 5-2).
- Among the seven types of needed help received, at both Wave 2 and Wave 3, only help with child care problems proved to have a significant – and positive – relationship with work (Table 5-3).
- Despite their economic value to CalWORKs participants, transportation vouchers do not appear to address a severe barrier to employment. We suggest that financial support for use of public transportation fails to overcome the challenge of fitting into one’s day the time-consuming transportation process of getting children to and from child care or school as well as getting oneself to and from work.
- Although significantly associated with full-time work, child care subsidies are not highly utilized. We suggest that the financial benefits available from CalWORKs-funded child care fail to address welfare recipients’ concerns that child care be safe and reliable while promoting employment through accessibility of the child care.
- As of Wave 3 there is no substantial evidence of increased involvement of study participants with Child Protective Services (Table 5-4).

Section 6. Stability of Health Insurance Coverage over Time for Recipients and Their Children, and Association with Work-Related and Welfare-Related Outcomes

- Although not dramatic, some loss of health insurance coverage is evident over time, as more study participants depart welfare (Figures 6-1, 6-2, 6-3, 6-4).

- By Wave 3, 14.4 percent of respondents reported they had no health insurance (Figure 6-3).
- Health insurance coverage is least prevalent among respondents off welfare and working fewer than 32 hours weekly (Figure 6-4).

1. INTRODUCTION

Overview

The Alameda County CalWORKs Needs Assessment and Outcomes Study is a three-wave, longitudinal panel study of a representative sample of 512 adult recipients of CalWORKs cash benefits in Alameda County, California, in October 1998. The purposes of the study are to (1) identify and monitor over time barriers to working among the California CalWORKs population, with particular emphasis on health-related barriers, (2) assess associations among barriers to welfare, work and income outcomes, and (3) determine critical service and treatment elements in CalWORKs training, work-readiness and behavioral health care service programs to assist Alameda County in planning for the service needs of its welfare clients. This report additionally examines the stability of health insurance coverage over time and the question of whether there is evidence that the number of child welfare cases has increased with the advance of welfare reform.

Outline of the Report

In addition to this introduction, there are six sections to the report. In the first (Section 2), we present results on the prevalence of a range of potential barriers to employment and successful departure from welfare as well as changes in prevalence and in individuals experiencing potential barriers across the three interview waves. We next examine, in Section 3, the association between potential barriers and work- and welfare-related outcomes, separately at interview Wave 2 and Wave 3, and how these associations changed over time, using descriptive and multivariate analysis techniques. Section 4 focuses on the work and welfare status of study respondents, sources and amounts of income, and economic well-being at Wave 3 and changes across waves. In Section 5 we document the types of CalWORKs and community services needed and used by welfare recipients and how this usage is associated with work-related and welfare-related outcomes. In this section we also consider the possible impact of welfare reform on child welfare. Finally, in Section 6 we report on the stability of health insurance coverage over time for recipients and their children, and how this usage is associated with work-related and welfare-related outcomes. Concluding comments appear in Section 7.

Project History

The study target population was defined as a cross-section of adult CalWORKs recipients in October 1998, ages 18 through 59, including members of one- or two-parent families; with the respondent speaking English, Spanish, or Vietnamese. The target population of interest excluded recipients permanently disabled and exempt from work, families in which parents or children were receiving SSI, and non-needy caretakers. Of interest were both long- and short-time AFDC/CalWORKs recipients. Of almost 26,000 Alameda County households receiving benefits under the CalWORKs program in October 1998, 16,406 cases were in the population of interest. Using a random selection protocol, a sampling frame of 741 persons was selected, of whom 512, or 69.1 percent, were interviewed between November 1998 and May 1999. Withdrawing from the sampling frame denominator the 27 persons found to be ineligible during the recruitment process, the response rate was re-computed at 71.7 percent. The first project report delineates in more detail the definition and selection of the study sample and the overall excellent representativeness of the selected study sample, relative to the population of eligible study participants. See Speigman, Fujiwara, Norris, & Green (1999) for a fuller discussion.

First follow-up (Wave 2) interviews with 449 of the original study participants 15 months post-baseline took place between February and August 2000, a response rate of 88 percent. Second follow-up (Wave 3) interviews with 430 study participants started February 2001 and were completed August 2001, with a response rate of 84 percent.

The survey data were collected for the Public Health Institute (PHI) by a survey research firm specializing in interviewing poor, disadvantaged, and/or difficult to locate individuals. Interviews were conducted face-to-face by trained interviewers in English, Spanish, or Vietnamese, in a private place, most often in the respondent's home. Interviews were voluntary, completely confidential, and, at Wave 3, lasted, on average, seventy minutes.

The survey instrument covers the following topics: (1) demographics, education, county residency, and language, (2) housing, household composition, and family relationships, (3) work, income, and welfare activities, (4) hunger and other hardships, (5) need for child care, transportation, health, and other services, and reports of services received, and (6) personal status in key barrier and risk factor areas, including alcohol, tobacco, and other drug use, mental health, family violence, Child Protective Services (CPS) involvement, criminality, and physical health. A series of questions asks about the status of a focal child on the case, chosen at random. The survey questionnaire instrument consists largely of questions and scales of known reliability and validity developed by other researchers with expertise in their domains of interest (see Speigman, Fujiwara, Norris, & Green, 1999). Most of the survey data elements are unavailable in administrative data sets.

The Alameda County CalWORKs study data set is one of a few nationwide containing longitudinal information on a wide range of potential risk factors for welfare dependency. Using a similar questionnaire, PHI is conducting a parallel study of welfare recipients in San Joaquin County, California. Data collection for the first wave of interviews in San Joaquin County overlaps with Wave 2 data collection in Alameda County. The second wave of interviews of a subset of the original San Joaquin sample, completed in September 2001, overlaps in time with the third wave of interviews in Alameda County. Cross-county comparisons are therefore possible for the 2000 and 2001 data, but are not within the scope of this report.

Summary of Previous Reports

The Public Health Institute (PHI) has previously issued four reports from the Alameda County CalWORKs Study. All are available at www.phi.org, the PHI web site and, as of this writing, can be found on the “What’s New” page. Report #4 (Dasinger, Miller, Norris, & Speigman, 2001) reviews, among other topics, Alameda County’s implementation of Welfare Reform. Report #4 also describes the sample and sample loss at Wave 2, the progress of study participants through the CalWORKs program, Wave 2 household incomes, Baseline and Wave 2 prevalence rates for 17 potential barriers to

obtaining and maintaining employment and leaving welfare, the degree to which individuals identified as experiencing potential health-related barriers to employment were getting the services they needed, and the need and receipt of child care services.

Study Sample and Sample Loss at Wave 3

Table 1-1 shows the final case disposition of the 512 study participants at the end of Wave 3 data collection. A high response rate of 84.0 percent (N=430) was achieved. Most of the 82 study participants who were not interviewed could not be located (65.9%, N=54). About a quarter of the non-participants (24.4%, N= 20) were located but refused to be re-interviewed. Eight of the twenty refusals were Vietnamese-speaking respondents. The remaining twelve refusals were English-speaking. The disproportionately high refusal rate among the Vietnamese-speaking study participants (17.4% of the 46 Vietnamese-speaking respondents interviewed at Baseline) compared to among the English-speaking respondents (2.7% of the 452 English-speaking respondents interviewed at Baseline) is likely rooted in cultural differences between the two groups. A few study participants (N=3) missed a scheduled interview appointment that could not be rescheduled before the field work phase of the study was closed. One person was found to be in jail or prison, one could not participate for medical reasons, one could not be interviewed due to the inability to schedule an American Sign Language translator, and in two instances the spouse of the Baseline participant was wrongly interviewed.

Table 1-1
Status of Study Participants at End of Wave 3 Data Collection

Status	% Baseline Sample (N=512)	% Non-Respondents (N=82)	N
Completed Interview	84.0		430
Did not Complete Interview	16.0	100.0	82
Unable to locate/left country	10.5	65.9	54
Unable to complete scheduled interview (no show)	0.6	3.7	3
Unable medically	0.2	1.2	1
Unable to schedule interpreter	0.2	1.2	1
Respondent in jail or prison	0.2	1.2	1
Wrong person interviewed	0.4	2.4	2
Refusal	3.9	24.4	20

Table 1-2 displays a comparison of Baseline and Wave 3 respondents in terms of their responses to Baseline questions. No significant differences on characteristics for the two groups is evident. That is, the sample loss at Wave 3 was proportional to the characteristics measured. One area for concern, however, is Vietnamese interview language. Although not statistically significant (overall chi square $p = .25$), a disproportionate number of Vietnamese-speaking clients was lost at Wave 3, as also happened at Wave 2. At Wave 3 the loss is even greater. We examined the same variables in Table 1-2 among the Vietnamese-speaking study participants only, for Wave 3 responders versus Baseline responders (data not shown). The most striking differences were the following (although none was statistically significant, probably due to small sample size): baseline responders were more often male (28.3% Wave 1 vs. 16.7% at Wave 3, $p = .28$), more likely to be living with a spouse or partner (60.9% vs. 50.0%, $p = .38$), more likely to have a larger household (5+ people) (52.2% vs. 33.3%, $p = .31$), and more likely to have four or more minor children in the home (23.9% vs. 16.7%, $p = .69$). No noteworthy differences, even statistically non-significant ones, were found on any of the potential barriers to work, however. Nevertheless, we are cautious about the interpretation of any interview language differences involving Vietnamese speakers.

**Table 1-2
Comparison of Baseline and Wave 3 Respondents in Responses to Baseline Questions**

Characteristic (measured at Baseline)	Baseline N=512		Wave 3 N=430	
	% or mean	N	% or mean	N
Demographics				
Mean Age (years)	32.5		32.8	
Female Gender	91.8	470	92.6	398
Race/Ethnicity				
Black	54.9	281	56.5	243
White	13.1	67	14.0	60
Latino	9.6	49	10.5	45
Vietnamese	9.2	47	6.3	27
Other	13.3	68	12.8	55
Interview Language				
English	88.5	452	91.6	394
Spanish	2.0	10	2.3	10
Vietnamese	9.0	46	5.6	24
English with Spanish or Vietnamese	0.6	3	0.5	2
High School Diploma or GED	60.5	310	62.1	267
Average time on welfare (yrs.)	6.4		6.5	
Living with Spouse or Partner	22.1	113	19.8	85
Household Size				
1-2	13.5	69	14.4	62
3-4	50.2	257	50.7	218
5+	36.3	186	34.9	150
Number Minor Children in Home				
0-1	30.7	157	30.7	132
2-3	51.0	261	51.9	223
4+	18.4	94	17.4	75
Has Minor Children Out of the Home	11.7	60	11.6	50

Table 1-2, continued

Characteristic (measured at Baseline)	Baseline N=512		Wave 3 N=430	
	% or mean	N	% or mean	N
Potential Barriers to Work				
Health-related				
3+ alcohol dependence symptoms	5.5	28	5.6	24
Daily illegal drug use	6.6	34	7.0	30
2+ physical problems interfere	23.4	120	23.3	100
Many mental health symptoms	17.8	91	17.9	77
Partner violence	6.3	32	5.8	25
Family Responsibility				
Need evening child care	16.4	84	16.3	70
New baby or pregnancy	20.9	107	19.3	83
Human Capital				
Fewer than 5 work skills	28.7	147	26.5	114
Crim justice system involvement	9.4	48	8.8	38
Logistic				
No car and/or driver's license	61.1	313	62.8	270
Outcomes				
On welfare at time of interview	89.6	459	89.1	383
Employed 26+ hours/week	26.2	134	26.5	114

In light of the apparent lack of impact of sample loss – that is, the comparability of Wave 1 and Wave 3 respondents – we will utilize the 402 respondents (78% of the Baseline sample) who responded to all three interviews in examining cross-wave prevalence and income trends (see Table 1-3). For associations of potential barriers with work and welfare status at Wave 2 and Wave 3, we will use full Wave 2 (N = 402 + 47 = 449) and Wave 3 (N = 402 + 28 = 430) samples, respectively (see Table 1-3).

Table 1-3
Study Participation across Waves

Participation	% Total Sample	N
Baseline only	6.8	35
Baseline and Wave 2 only	9.2	47
Baseline and Wave 3 only	5.5	28
All Waves	78.5	402
TOTAL	100.0	512

Summary

- An 84% response rate at Wave 3 represented success among all subgroups of interest except for Vietnamese-speaking respondents, who disproportionately accounted for study participants refusing a Wave 3 interview (Table 1-2).

- Overall, Wave 3 and Wave 1 samples appeared quite comparable (Table 1-2).

References

Dasinger LK, Miller RE, Norris JC, & Speiglmán R (November, 2001). *Alameda County CalWORKs Needs Assessment Report #4: Changes in Economic, Work, Welfare, and Barrier Status 15 Months Post-Baseline*. Berkeley, CA, Public Health Institute.

Speiglmán R, Fujiwara L, Norris J, & Green RS (August, 1999). *Alameda County CalWORKs Needs Assessment Report #1: A Look at Potential Health-Related Barriers to Self-Sufficiency*. Berkeley, CA, Public Health Institute.

2. PREVALENCE OF SELECTED BARRIERS TO EMPLOYMENT AND SUCCESSFUL DEPARTURE FROM WELFARE

Introduction

We examined a large number of potential barriers to successful departure from welfare at three points in time, Baseline interview, 15 months later at the time of the Wave 2 interview, and 12 months following the Wave 2 interview, at Wave 3. Each potential barrier was assessed based on self-reported information from the study participant. As reflected in Table 2-1, this report summarizes or otherwise comments upon 32 statuses that might be thought to constitute such barriers. These *potential* barriers range in domain from sociodemographic factors (such as age and immigrant status) to family responsibility (age, number, and needs of children, solo parenting, need for child care, and pregnancy), human capital (criminal justice system involvement and limited English language proficiency, education, and work skills), transportation, housing (temporary and number of moves), longer welfare history, alcohol use, illegal drug use, compromised physical health, compromised mental health, and partner violence factors. In the following pages we consider these barriers in two large groups, first the health- and then the non-health-related potential barriers. The definitions of these barriers can be found in Table 2-1.

**Table 2-1
Barrier Definitions**

Domain	Measure	Definition
Health-related barriers		
Alcohol use	Heavy drinking	Drank 5+ drinks at a time two to three times a month or more frequently in past year
	Alcohol dependence	3+ of 9 alcohol dependence symptoms in past year
Illegal drug use	Daily drug use	Daily illegal drug use in past year
	Frequent drug use	Used illegal drugs 3+ times a week in past year
Physical health	2+ health problems	2+ physical health problems in past year (of a possible 21, e.g., sight, hearing, serious heart condition, diabetes)
	2+ functional limitations	R limited a lot by health in at least 2 of 10 activities currently (10 items from SF-36 physical functioning scale, e.g., lifting or carrying groceries, walking several blocks) (Ware & Sherbourne, 1992)
	Health fair to poor	Self-rated health fair to poor now
Mental health	Low vitality	Average score < 2.5 on 5-items measuring level of vitality, energy or fatigue, on a 5-point scale (from SF-36)
	Mental health "case"	Meets clinical cut-off value for probable mental health disorder or problem, based on normative samples, from 54-items measuring level of psychological distress on multiple dimensions (based on SCL-90) (Derogatis & Cleary, 1977)
	Depression	Depression, last 7 days (based on normative score on 6 items adapted from the SCL-90)
	Anxiety	Anxiety, last 7 days (based on normative score on 6 items adapted from the SCL-90)
Partner abuse	Partner violence	Physically abused by partner/spouse in past year (e.g., hit, slapped, kicked, choked)
	Partner control	Current or former partner made it difficult to find or keep a job past year (e.g., through guilt, discouragement, refusing support, or harassment)

Table 2-1, continued

Domain	Measure	Definition
Non-health-related barriers		
Demographics	Younger age	Age < 22 years at Baseline
	Older age	Age 45+ years at Baseline
	Immigrant	Born outside the United States
Family responsibility	Has toddler	Has child < 3 years at home
	3+ minor children	Has 3+ minor children at home
	Solo parent	Solo parent with minor children; no other adults in home
	Lacks family child care	Lacks regular family child care currently (provided by R's spouse or partner, or child's other parent, grandparent, aunt, uncle, older sibling, or other relative)
	Needs more child care	Does not have child care for all children and/or at all times needed in order to go to work, school, or training currently
	Needs evening child care	Needs but doesn't have evening child care
	Special needs child	Child required extra care last year for a physical, medical, or emotional problem
	Pregnant or new baby	New baby or pregnant in past year (women only)
Human capital	CJ system involvement	Involvement in criminal justice system in last 90 days (in jail or prison, on bail, probation, work release or parole, or awaiting charges, trial or sentencing), or arrested in past year
	Limited English proficiency	Speaks, reads, and/or writes English "not too well" or "not at all"
	Limited education	Lacks high school diploma or GED certificate
	Few work skills	Has fewer than 5 of 30 work skills
Transportation	No car and/or no driver's license	No car and/or no driver's license
Housing	Temporary housing	Lived in temporary housing (e.g., hotel/motel, medical facility, jail or prison, group home) or was homeless in past year
	Moved	Moved 2+ times in past year
Welfare history	Longer welfare history	On AFDC/TANF > 2 years at Baseline

Prevalence of Health-related Potential Barriers

Overall, the prevalence of health-related barriers to successful departure from welfare diminished over the course of the 27-month study period. Interestingly, several potential barriers were found to be more prevalent at Wave 2 compared to Baseline, but the decline in prevalence at Wave 3 more than compensated for the increase at Wave 2.

At Baseline the prevalence of potential barriers ranged from 5.5 percent (past year alcohol dependence) to 54.7 percent (two or more health problems in the past year) (see Table 2-2). Twenty-seven months later, at the time of the Wave 3 interview, the former measure had dropped 0.3 percentage points to 5.2 percent (see Table 2-2 column labeled *W1-W3*), and the latter measure had declined by 9.9 percentage points, to 44.8 percent. Twelve of the thirteen health-related barriers monitored declined in prevalence. Only the measure of anxiety increased in the study time period, and only by a small margin.

While decreases in the prevalence of potential health-related barriers tended to be small – the largest was 9.9 followed by 7.2 percentage points – when expressed as a proportionate decline, some were quite substantial. For example, daily drug use in the past year declined from 7.0 percent at Baseline to 5.5 percent at Wave 3, an absolute change of only 1.5 percentage points but a proportionate drop of one-fifth. Similarly, the 5.2-point decline in prevalence of low scores on the vitality measure constituted a drop of almost one-third, much like the decline in prevalence of study participants scoring as depressed. Decreases in the prevalence of other physical and mental health problems were also sizeable, especially in light of the baseline prevalence figures. The same held true for measures of partner abuse, each of which dropped substantially.

**Table 2-2
Prevalence of Potential Health Barriers, Waves 1 to 3 (N=402)**

	Wave 1		W1-W2	Wave 2		W2-W3	Wave 3		W1-W3
	%	N	+/-	%	N	+/-	%	N	+/-
Alcohol use									
Heavy drinking	7.7	31	2.7	10.4	42	-2.9	7.5	30	-0.2
Alcohol dependence	5.5	22	2.0	7.5	30	-2.3	5.2	21	-0.3
Illegal drug use									
Daily drug use	7.0	28	-0.8	6.2	25	-0.7	5.5	22	-1.5
Frequent drug use	8.0	32	0.5	8.5	34	-1.8	6.7	27	-1.3
Physical health									
2+ health problems	54.7	220	-3.7	51.0	205	-6.2	44.8	180	-9.9
2+ functional limitations	22.6	91	0.8	23.4	94	-5.0	18.4	74	-4.2
Health fair to poor	31.6	127	-2.7	28.9	116	-2.5	26.4	106	-5.2
Mental health									
Low vitality	16.4	66	-2.2	14.2	57	-3.0	11.2	45	-5.2
Mental health "case"	35.1	141	-5.7	29.4	118	-1.5	27.9	112	-7.2
Depression	13.9	56	-2.5	11.4	46	-1.9	9.5	38	-4.4
Anxiety	11.9	48	0.8	12.7	51	0.0	12.7	51	0.8
Partner abuse									
Partner violence	5.7	23	-0.2	5.5	22	-1.0	4.5	18	-1.2
Partner control	9.7	39	-2.7	7.0	28	-1.0	6.0	24	-3.7

Prevalence of Non-health-related Potential Barriers

We also display 19 potential barriers that were not defined as health-related. Fourteen of the indicators measure characteristics at each of the three waves of data collection. One, a child care measure which was not in use at Baseline, only measures change from Wave 2 to Wave 3, and four are sociodemographic or welfare history barriers that remain constant across waves.

The non-health-related potential barriers involve areas such as sociodemographics, transportation, child care and other family responsibility, involvement in the criminal justice system, English language skills, educational attainment, work skills, and housing.

The prevalence of the majority of barriers measured at all three waves – 11 of 14 – fell between Baseline and Wave 3, and the barrier not measured at Baseline – needs more child care – also declined, between Wave 2 and Wave 3. Both absolute and proportionate decreases were greater here than among the health-related barriers, but it should be noted that the prevalence of these non-health variables were generally higher to start. The few work skills barrier declined by 14.9 percentage points, a 56 percent drop from Baseline prevalence. The transportation barrier (no car and/or no driver’s license) declined by 14.1 points, or 22 percent. Most profoundly, the number of respondents indicating an unresolved need for evening child care decreased by 13.0 points, which accounted for a 78 percent drop from the Baseline measurement. Due for the most part to respondents’ changed living situations involving additional adults, the prevalence of the solo parent barrier decreased by 9.7 points, or 22 percent, from Baseline to Wave 3.¹ Other declines for potential barriers were small, for example, for limited English proficiency and limited education.² The prevalence of other non-health-related barriers increased – such as criminal justice system involvement, temporary housing, and lacks family child care. While the change in criminal justice system involvement was marginal, from 8.7 to 9.2 percentage points, lived in temporary housing in the past year increased more, both in absolute and relative terms, from 6.5 percent at Baseline to 7.7 percent at Wave 3.

Nevertheless, despite the noteworthy changes, the prevalence of non-health-related barriers remained substantial at Wave 3. Almost half of the study participants had no driver’s license or no car available. One-third had neither a high school diploma nor a GED certificate. Almost every fifth participant reported that in the last year she or he had

¹ This decline is explained by a number of factors. Of the 175 respondents who, at Wave 1, lived with their minor children, but no other adults in the household, 72 were no longer solo parenting at Wave 3. (There were also 33 people who were not solo parenting at Wave 1 who became solo parents of minor children by Wave 3.) Of the 72 respondents no longer solo parenting at Wave 3, all but one were, at Wave 3, living with one or more other adults. The other respondent’s child was no longer a minor by Wave 3. Among the 71 respondents living with other adults, 13 were living with parents and/or grandparents, 27 were living with other relatives, 9 were living with a spouse, 17 were cohabiting, and 5 were living with unrelated adults. In 2 cases the respondent’s children had turned 18, and in 2 cases the minor children no longer lived with the respondent.

² The counterintuitive fluctuation in the limited education category might simply be attributed to inconsistent and faulty recall. It is possible, however, that the changes reflect not only newly completed high school education but also updated consciousness of educational attainment, in light of lessons learned in applying for employment or engaging in other welfare-to-work activities.

responsibility for a child who required extra care. One in ten respondents had been pregnant or had a baby in the past year, been arrested or involved in the criminal justice system, and had fewer than five work skills.

Table 2-3
Prevalence of Non-health Potential Barriers, Waves 1 to 3 (N=402)

	Wave 1		W1-2	Wave 2		W2-3	Wave 3		W1-3
	%	N	+/-	%	N	+/-	%	N	+/-
Demographic									
Immigrant	15.2	61							
Younger age	8.2	33							
Older age	8.5	34							
Family responsibility									
Has toddler	30.6	123	-7.2	23.4	94	-4.7	18.7	75	-11.9
3+ minor children	31.1	125	-4.0	27.1	109	-1.2	25.9	104	-5.2
Solo parent	43.5	175	-3.7	39.8	160	-6.0	33.8	136	-9.7
Lacks family child care	57.2	230	-0.5	56.7	228	2.0	58.7	236	1.5
Needs more child care (W2, 3 only)				11.9	48	-0.2	11.7	47	
Needs evening child care	16.7	67	-5.5	11.2	45	-7.5	3.7	15	-13.0
Special needs child	23.4	94	-3.7	19.7	79	-1.3	18.4	74	-5.0
Pregnant or new baby	17.9	72	-5.0	12.9	52	-1.2	11.7	47	-6.2
Human capital									
CJ system involvement	8.7	35	-1.0	7.7	31	1.5	9.2	37	0.5
Limited English proficiency	8.2	33	-1.5	6.7	27	0.3	7.0	28	-1.2
Limited education	38.1	153	-7.3	30.8	124	4.3	35.1	141	-3.0
Few work skills	26.6	107	-7.4	19.2	77	-7.5	11.7	47	-14.9
Transportation									
No car and/or no driver's license	63.4	255	-4.7	58.7	236	-9.4	49.3	198	-14.1
Housing									
Temporary housing	6.5	26	1.5	8.0	32	-0.3	7.7	31	1.2
Moved	10.9	44	-4.4	6.5	26	1.0	7.5	30	-3.4
Welfare history									
Longer welfare history	70.4	283							

Stability of Barriers

Looking across the three waves of data collection, the potential barriers that we monitored most closely were, overall, pervasive but transient. Table 2-4 shows the percentage of respondents ever experiencing each potential barrier at any of the three waves and the percentage of respondents experiencing each potential barrier only once, twice, or at all three waves. The figures are expressed as a percentage of the total sample interviewed at all three waves (N = 402), and as a percentage of the number ever experiencing each particular barrier (columns labeled “% exp.”).

While many respondents were found to experience many of the potential barriers at least once, in *most* cases the majority of those assessed as having the potential barrier were so-assessed at only one interview. For example, while 39.1 percent of respondents had a “special needs” child at least once, for 59.9 percent of those respondents that potential barrier was reported only at one interview wave. Although 38.6 percent of respondents were classified at least once as having two or more functional limitations, that assessment was made at only one interview for 52.9 percent of respondents with that status.

Remarkably, even smaller proportions of study participants had particular barriers more than once in the case of the drinking and drug use barriers, low vitality, the partner violence barriers, two child care measures, pregnant/new child, criminal justice system involvement, and the two housing barriers.

Exceptions to the transient finding were evident in the case of the transportation, English language, education, three or more minor children, and two or more health problem barriers. In each case 40 percent or more of those who experienced the barrier at least once experienced it at all three interview waves.

Table 2-4
Stability of Barriers, Waves 1 to 3 (N=402)

	Ever experienced barrier		Experienced barriers all 3 waves			Experienced barriers two waves			Experienced barrier one wave		
	% total	(N)	% total	% exp.	N	% total	% exp.	N	% total	% exp.	N
Alcohol use											
Heavy drinking	18.2%	73	1.5%	8.2%	6	4.5%	24.7%	18	12.2%	67.1%	49
Alcohol dependence	11.7%	47	1.2%	10.6%	5	4.0%	34.0%	16	6.5%	55.3%	26
Illegal drug use											
Daily drug use	13.2%	53	1.2%	9.4%	5	3.0%	22.6%	12	9.0%	67.9%	36
Frequent drug use	15.7%	63	1.7%	11.1%	7	4.0%	25.4%	16	10.0%	63.5%	40
Physical health											
2+ health problems	70.6%	284	29.6%	41.9%	119	20.6%	29.2%	83	20.4%	28.9%	82
2+ functional limitations	38.6%	155	7.7%	20.0%	31	10.4%	27.1%	42	20.4%	52.9%	82
Health fair to poor	47.0%	189	12.7%	27.0%	51	14.4%	30.7%	58	19.9%	42.3%	80
Mental health											
Low vitality	27.1%	109	4.0%	14.7%	16	6.7%	24.8%	27	16.4%	60.6%	66
Mental health "case"	47.8%	192	15.7%	32.8%	63	13.2%	27.6%	53	18.9%	39.6%	76
Depression	22.4%	90	3.2%	14.4%	13	6.0%	26.7%	24	13.2%	58.9%	53
Anxiety	23.4%	94	3.0%	12.8%	12	8.0%	34.0%	32	12.4%	53.2%	50
Partner abuse											
Partner violence	10.7%	43	0.7%	7.0%	3	3.5%	32.6%	14	6.5%	60.5%	26
Partner control	17.9%	72	0.5%	2.8%	2	3.7%	20.8%	15	13.7%	76.4%	55

Table 2-4, continued

	Ever experienced barrier		Experienced barriers all 3 waves			Experienced barriers two waves			Experienced barrier one wave		
	% total	(N)	% total	% exp.	N	% total	% exp.	N	% total	% exp.	N
Family responsibility											
Has toddler	37.8%	152	10.2%	27.0%	41	14.4%	38.2%	58	13.2%	34.9%	53
3+ minor children	36.6%	147	20.1%	55.1%	81	7.2%	19.7%	29	9.2%	25.2%	87
Solo parent	57.2%	230	21.4%	37.4%	86	17.2%	30.0%	69	18.7%	32.6%	75
Lacks family child care	84.3%	339	32.1%	38.1%	129	24.1%	28.6%	97	28.1%	33.3%	113
Needs more child care	21.6%	87				2.0%	9.2%	8	19.7%	90.8%	79
Needs evening child care	27.1%	109	0.5%	1.8%	2	3.5%	12.8%	14	23.1%	85.3%	93
Special needs child	39.1%	157	6.7%	17.2%	27	9.0%	22.9%	36	23.4%	59.9%	94
Pregnant or new baby	30.3%	122	1.7%	5.7%	7	8.7%	28.7%	35	19.9%	65.6%	80
Human capital											
CJ system involvement	17.7%	71	1.5%	8.5%	6	5.0%	28.2%	20	11.2%	63.4%	45
Limited English proficiency	9.2%	37	4.5%	48.6%	18	3.7%	40.5%	15	1.0%	10.8%	4
Limited education	43.0%	173	26.9%	62.4%	108	7.2%	16.8%	29	9.0%	20.8%	36
Few work skills	33.8%	136	8.5%	25.0%	34	6.7%	19.9%	27	18.7%	55.1%	75
Transportation											
No car and/or no driver's license	73.4%	295	42.0%	57.3%	169	13.9%	19.0%	56	17.4%	23.7%	70
Housing											
Temporary housing	15.2%	61	1.7%	11.5%	7	3.5%	23.0%	14	10.0%	65.6%	40
Moved	18.2%	73	1.7%	9.6%	7	3.2%	17.8%	13	13.2%	72.6%	53

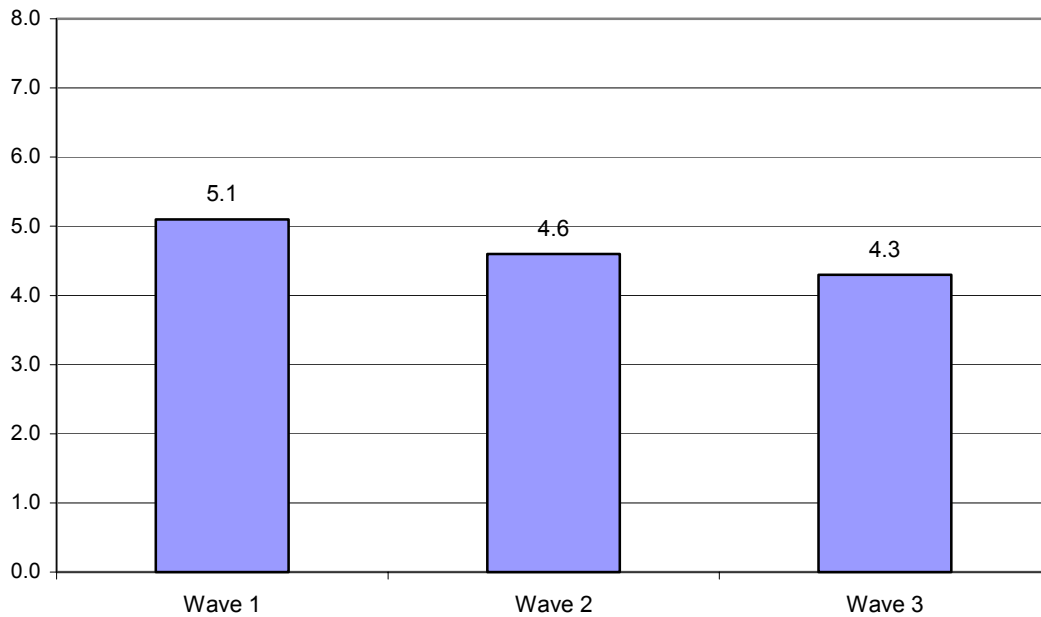
Count of Barriers

We also looked at changes in barriers across waves by counting the total number of 21 potential barriers that each respondent experienced at each wave. The 21 barriers were chosen as a set of fairly mutually exclusive measures and constructs and to a large degree mirror the lists of other researchers studying the effects of number of barriers on work and welfare status after welfare reform (see Table 2-5). By this measure the number of barriers declines steadily during the study, from an average of 5.1 at Baseline to 4.3 at Wave 3 (see Figure 2-1). Figure 2-2 and Table 2-6 depict the distribution of this decline in barriers, with fewer respondents assessed as having the larger number of barriers and, correspondingly, more respondents with fewer barriers

**Table 2-5
21 Potential Barriers Used in Count Measure**

Domain	Measure	Definition
Alcohol use	Alcohol dependence	3+ of 9 alcohol dependence symptoms in past year
Illegal drug use	Daily drug use	Daily illegal drug use in past year
Physical health	2+ functional limitations	R limited a lot by health in at least 2 of 10 activities currently (10 items from SF-36 physical functioning scale, e.g., lifting or carrying groceries, walking several blocks)
Mental health	Depression	Depression, last 7 days (based on normative score on 6 items adapted from the SCL-90)
	Anxiety	Anxiety, last 7 days (based on normative score on 6 items adapted from the SCL-90)
Partner abuse	Partner violence	Physically abused by partner/spouse in past year (e.g., hit, slapped, kicked, choked)
	Partner control	Current or former partner made it difficult to find or keep a job past year (e.g., through guilt, discouragement, refusing support, or harassment)
Demographics	Older age	Age 45+ years at Baseline
Family responsibility	Has toddler	Has child < 3 years at home
	3+ minor children	Has 3+ minor children at home
	Solo parent	Solo parent with minor children; no other adults in home
	Lacks family child care	Lacks regular family child care currently (provided by R's spouse or partner, or child's other parent, grandparent, aunt, uncle, older sibling, or other relative)
	Special needs child	Child required extra care last year for a physical, medical, or emotional problem
	Pregnant or new baby	New baby or pregnant in past year (women only)
Human capital	CJ system involvement	Involvement in criminal justice system in last 90 days (in jail or prison, on bail, probation, work release or parole, or awaiting charges, trial or sentencing), or arrested in past year
	Limited English proficiency	Speaks, reads, and/or writes English "not too well" or "not at all"
	Limited education	Lacks high school diploma or GED certificate
	Few work skills	Has fewer than 5 of 30 work skills
Transportation	No car and/or no driver's license	No car and/or no driver's license
Housing	Temporary housing	Lived in temporary housing (e.g., hotel/motel, medical facility, jail or prison, group home) or was homeless in past year
Welfare history	Welfare history	On AFDC/TANF > 2 years at Baseline

Figure 2-1
Change in Mean Number of 21 Potential Barriers over Time (N=402)



(All paired differences statistically significant, $p < .0001$)

Figure 2-2
Changing Percentages in Number of 21 Potential Barriers Experienced by Respondents (N=402)

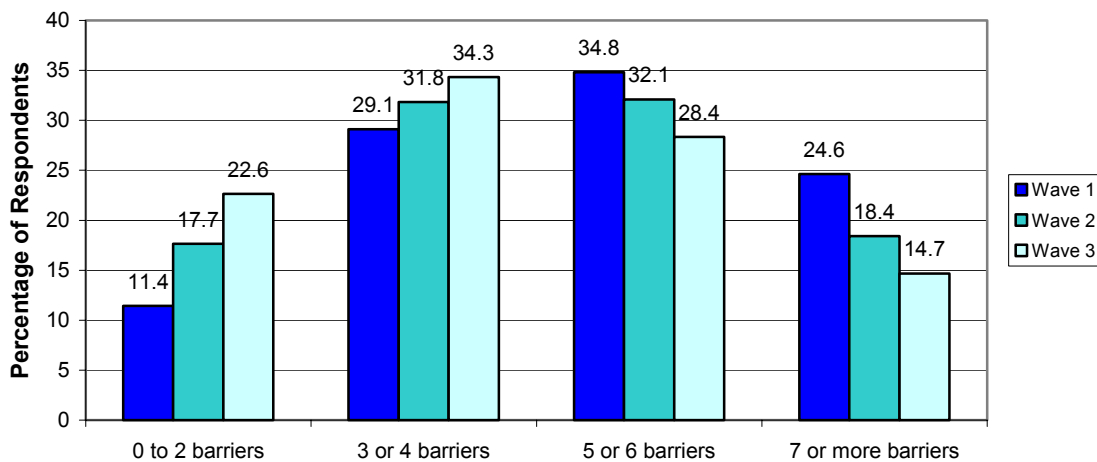


Table 2-6
Count of Respondents with Ranges of Barriers, Waves 1 to 3

Number of barriers	Wave 1	Wave 2	Wave 3
0 - 2	46	71	91
3 or 4	117	128	138
5 or 6	140	129	114
7+	99	74	59

Figure 2-3 describes the percentage of respondents working 32 or more hours per week at time of interview, by number of barriers and interview wave. This figure shows an inverse relationship between the number of barriers experienced and the probability of working. The figure also shows little effect of wave on prevalence of working among respondents with six or fewer barriers. Surprisingly, however, the effect of wave is evident among respondents with seven or more barriers. At time of interview, Wave 3 respondents with the most barriers were almost twice as likely to be working full-time, compared to their Wave 2 counterparts. At the same time, as shown in Figure 2-4, prevalence of receipt of CalWORKs cash assistance at time of interview was consistently lower at Wave 3 as opposed to at Wave 2 – by about ten or more percentage points – irrespective of number of barriers experienced. The findings displayed in Figures 2-3 and 2-4 gain greater significance below in Section 3, when we examine the association between potential barriers and work through descriptive cross-tabulations and multivariate models.

Figure 2-3
Percentage of Respondents Working 32 or More Hours per Week, by
Number of Barriers and Wave

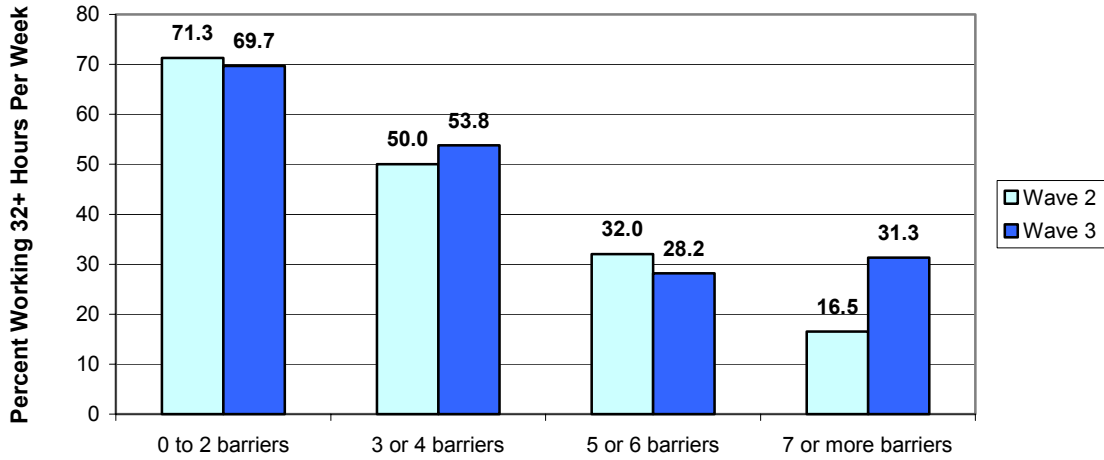
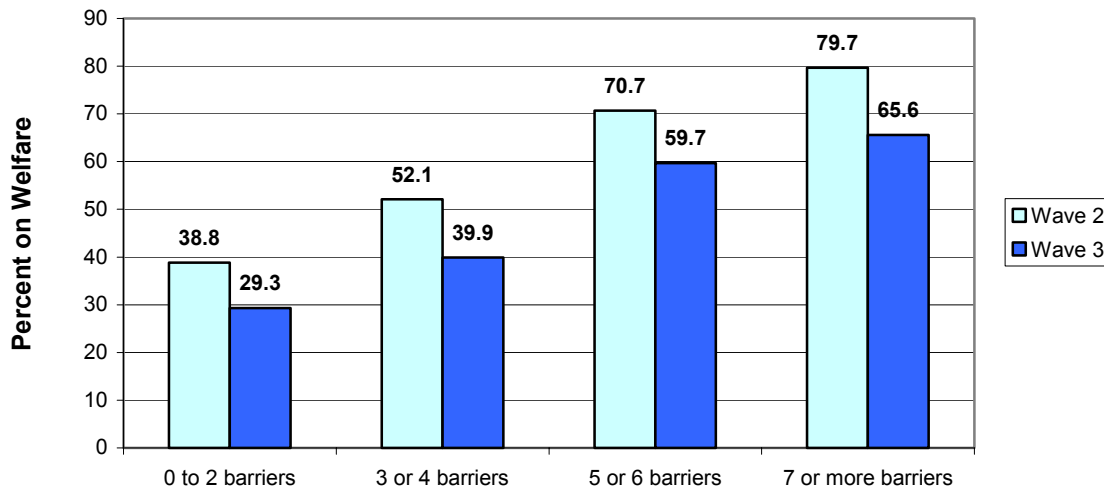


Figure 2-4
Percentage of Respondents on Welfare,
by Number of Barriers and Wave



Summary

- A noteworthy decline in prevalence of virtually all health-related potential barriers was evident between Baseline and Wave 3. Nevertheless, health-related potential barriers still remained evident at interviews 27 months post-Baseline.
 - Heavy drinking, alcohol dependence, daily drug use, frequent drug use, partner violence, and partner control each had a prevalence of at least four percentage points (Table 2-2).
 - Physical health problems and limitations and fair to poor health were reported by 18 to 45 percent of Wave 3 respondents (Table 2-2).
 - Mental health problems represented potential barriers in 10 to 30 percent of respondents (Table 2-2).
- The prevalence of most non-health-related potential barriers also fell between Baseline and Wave 3. In both absolute terms and as proportions, the decreases were greater than the declines in health-related barriers, although the prevalence of these non-health barriers was generally higher overall at Baseline.
 - Most notably, there was a drop by three-quarters in the number of respondents indicating an unresolved need for evening child care (Table 2-3).
 - Few work skills declined by 14.9 percentage points, a 56 percent drop from Baseline prevalence (Table 2-3).
 - The transportation barrier (no car and/or no driver's license) declined by 14.1 points, or 22 percent (Table 2-3).
 - Due for the most part to respondents' changed living situations involving additional adults, the prevalence of the solo parent barrier decreased by 9.7 points, or 22 percent, from Baseline to Wave 3 (Table 2-3).
- Despite decreases in the prevalence of non-health-related potential barriers, the prevalence of many of these barriers remained substantial, even at Wave 3.
 - The prevalence of respondents without a car and/or without a driver's license was nearly 50 percent at Wave 3 and even higher at previous waves (Table 2-3).

- Limited education was a factor for about a third or more of respondents at all interview waves (Table 2-3).
- At all three waves about one in five respondents faced the challenge of caring for a special needs child (Table 2-3).
- The potential barriers that we monitored most closely were, overall, pervasive but transient. That is, individuals with a barrier tended to have it at fewer rather than at more of the interview waves (Table 2-4).
- The finding of transient barriers did not apply in the case of the transportation, English language, education, three or more minor children, and two or more health problem barriers. In each case 40 percent or more of those who experienced the barrier at least once experienced it at all three interview waves (Table 2-4).
- At Wave 3 respondents with the most barriers (seven or more) were fewer in number than at previous waves (Table 2-6) and almost twice as likely to be working full-time at time of interview, compared to their Wave 2 counterparts (Figure 2-3).
- Otherwise, there was little difference between Wave 2 and Wave 3 in the proportion of respondents working at least 32 hours weekly at the time of interview as a function of the number of potential barriers they were found to have (Figure 2-3).

References

- Derogatis LR, & Cleary PA (1977). Confirmation of the dimensional structure of the SCL-90: A study in construct validation. *Journal of Clinical Psychology*, 33, 981-990.
- Ware, Jr. JE, & Sherbourne CD (1992). The MOS 36-item Short-Form Health Survey (SF-36). I. Conceptual framework and item selection. *Medical Care*, 30, 473-481.

3. ASSOCIATION BETWEEN POTENTIAL BARRIERS AND WORK- AND WELFARE-RELATED OUTCOMES AT WAVE 3

Introduction

The previous section addressed change in prevalence of barriers over time and the transiency of specific barriers. Additionally, it hinted at the complex relationship between barriers and work and welfare. Section 3 deepens the understanding of these relationships. We begin with a description of the prevalence of work and welfare receipt, then address the association of potential barriers with work and welfare status at Wave 2 and Wave 3 using descriptive and multivariate analysis techniques.

Work and Welfare Status

Work. As noted in Table 3-1, at Baseline, 25.9 percent of the 402-person sample followed at all three waves was working 26 or more hours a week, the goal at that point in CalWORKs implementation for minimum number of hours of work.¹ At Wave 2, 44.5 percent of the sample was working the then-requisite 32 hours a week. At Wave 3, with the hourly work requirement remaining at 32, the proportion of respondents working at that level increased only two percent in absolute terms, to 46.5 percent (see Table 3-1). Overall, number of hours respondents usually worked per week doubled between Baseline and Wave 3, from 11.6 to 22.7 hours.

The prevalence of *part-time workers* (less than 26 hours at Baseline; less than 32 hours at Waves 2 and 3) remained steady throughout the study period, moving from 12.7 percent at Baseline to 10.4 at Wave 2 and back to 12.7 percent at Wave 3. Over the same time period, the prevalence of persons *looking for work* declined from 30.6 percent at Baseline to 20.9 percent at Wave 2 and increased again at Wave 3 to 28.9 percent. Meanwhile, the percentage of respondents *in school or training* declined from 25.4 percent at Baseline to 20.9 percent at Wave 2 and 8.7 percent at Wave 3.

A closer examination at the shift in *looking for work* proves instructive (see Table 3-2). Between Baseline and Wave 3 the number of study participants essentially not in the labor force – those *not looking for work* and *not working* at least one hour weekly –

¹ As noted in Section 1, this figure does not differ significantly from the 26.2 percent prevalence figure for the full 512-person sample.

decreased from 145 to 88 (or from 36.1% to 21.9% of the 402 respondents), an absolute decline of 14.2 percent. In the same time period the number *not looking* for work and *working* 32 or more hours weekly (26 or more hours at Baseline) increased from 101 to 163 (or from 25.1% to 40.5% of respondents), an absolute increase of 15.4 percent. Potentially significantly, the number of respondents *looking for work* and *working* 32 or more hours weekly (26 or more hours at Baseline) also increased, from 3 to 24 study participants (or from 0.7% to 6.0% of the 402 respondents), an absolute increase of 5.3 percent.

Welfare. We scored study participants as “on welfare” if either they or their children received cash benefits from the CalWORKs program within the 30 days prior to interview. As summarized in Table 3-1, the prevalence of respondents on welfare declined by one-third from the Baseline level of 89.3 percent to the Wave 2 level of 59.0 percent, and by another one-fifth to the Wave 3 level of 47.0 percent, an absolute change of 42.3 percentage points from Baseline to Wave 3.

Table 3-1
Mean Hours of Work and Prevalence of Work, Looking for Work,
School/Training, and Welfare Receipt, Waves 1 to 3 (N=402)

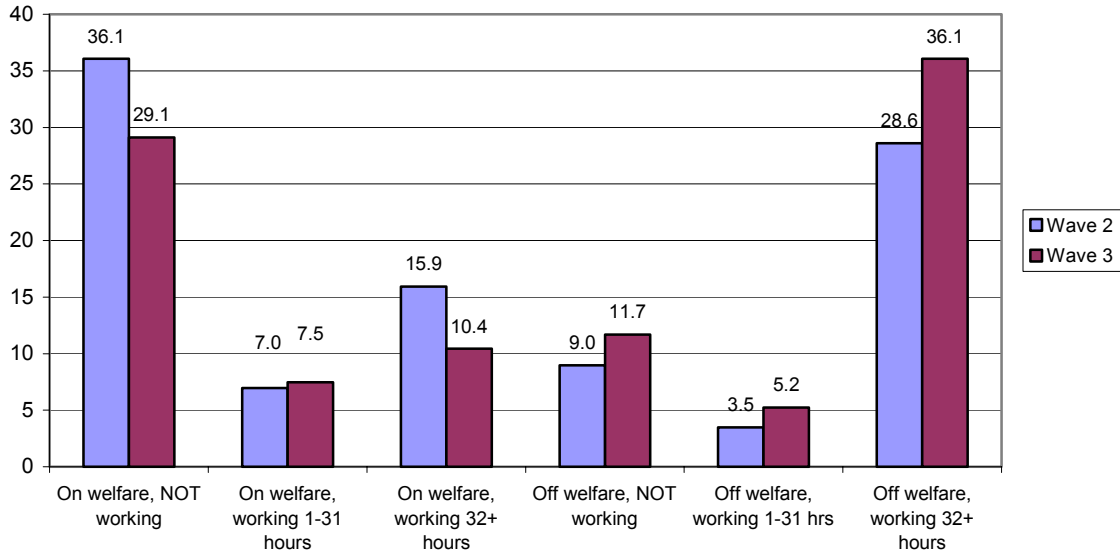
	Wave 1 Mean (SD)		W1-W2 +/-	Wave 2 Mean (SD)		W2-W3 +/-	Wave 3 Mean (SD)		W1-W3 +/-
Number of hours R usually works per week	11.6 (16.5)		8.6	20.2 (21.1)		2.5	22.7 (21.7)		11.1
	%	N	+/-	%	N	+/-	%	N	+/-
Works full-time: 32+ hours/ week (W2, W3); 26+ hrs (W1)	25.9	104	18.6	44.5	179	2.0	46.5	187	20.6
Works part-time: 1 – 31 hours/week (W2, W3); 1-25 hours/week (W1)	12.7	51	-2.3	10.4	42	2.3	12.7	51	0.0
Looking for work last 7 days or last 30 days	30.6	123	-9.7	20.9	84	8.0	28.9	116	-1.7
In school/training now	25.4	102	-4.5	20.9	84	-12.2	8.7	35	-16.7
R or R's child received TANF last 30 days	89.3	359	-30.3	59.0	237	-12.0	47.0	189	-42.3

Table 3-2
Looking for Work in Last 30 Days and Current Work, Waves 1 to 3 (N=402)

	Wave 1		W1-2	Wave 2		W2-3	Wave 3		W1-3
	%	N	+/-	%	N	+/-	%	N	+/-
Not looking for work and does not work	36.1	145	-8.5	27.6	111	-5.7	21.9	88	-14.2
Not looking for work and works full-time (32+ hours/week W2, W3; 26+ hours/week W1)	25.1	101	18.7	43.8	176	-3.3	40.5	163	15.4
Looking for work and works full-time (32+ hours/week W2, W3; 26+ hours/week W1)	0.7	3	0.0	0.7	3	5.3	6.0	24	5.3

Welfare and Work. For policy purposes, this report focuses especially on whether study participants (and/or their children) were CalWORKs recipients at each study wave and whether, at each wave, the participants were not working, working full-time in terms of the CalWORKs standards (26+ hours weekly at Baseline, 32+ hours subsequently), or working part-time. Thus, at each interview a respondent could be in one of six welfare/work strategies (on/off welfare x 3 employment groups). Figure 3-1 depicts the movement from welfare and into work, splitting respondents into three categories of working (none, 1-31 hours weekly, and 32+ hours weekly) and two categories of welfare (on versus off) at Wave 2 and Wave 3.

Figure 3-1
Percentage of Respondents in Different Welfare/Work Statuses,
Wave 2 and 3 (N=402)



Striking changes are evident. The prevalence of respondents on welfare, irrespective of whether working or not, declined dramatically. Between Waves 2 and 3 the numbers of respondents in the least successful situation – on welfare but not working at all – dropped seven percentage points, from 36.1 to 29.1 percent of the sample, a decline of almost one-fifth (19.4%). At the other social policy extreme, being off welfare and working 32 or more hours per week jumped in prevalence from 28.6 to 36.1 percent, an increase of over one-quarter (26.2%).

Meanwhile, although the numbers are relatively small, worrisome increases are evident in the increased proportion of respondents off welfare and not working. The proportion of respondents off welfare and not working increased by almost one-third (30%), from 9.0 to 11.7 percent. In addition, the proportion on welfare and working 32+ hours dropped substantially (34.6%), from 15.9 to 10.4 percent.

Explanations for Not Working

Surprised that the prevalence of full-time work had increased so little from Wave 2 to Wave 3, upon investigation we found that the particular individuals working at Wave 3 were not necessarily those working at Wave 2. In fact, 56 of the 179 respondents working 32 or more hours per week at Wave 2, or almost one-third, no longer reported working full-time at Wave 3. A third of these 56 respondents had dropped down to part-time work (1-31 hours a week), while two-thirds were no longer working at all. Table 3-3 summarizes the explanations provided by these participants for why, at Wave 3, they were not working at least 32 hours a week. (Respondents could give more than one reason for why they were not working.) Two-thirds of the 56 respondents pointed to a job-related reason for not working full time. The most common explanation was that full-time work was unavailable (N=14). Others referenced their having been laid off or fired (N=8), lack of interest in the minimal wages provided by work (N=2), and involvement in CalWORKs activities (N=2). Three persons said they were not interested in working full-time. In a related mode, six of the nine respondents giving explanations concerning a problem with family or friends specified that they wanted or needed to stay home with a child or other family member. Other participants mentioned personal transitions, and difficulty relying on a relative for child care. Explanations under “other” included older age, relocation to a new area, and lack of stable housing.

Another interview question asked whether the respondent had left a job in the previous year. Of the 56 respondents no longer working 32 hours or more per week at Wave 3, 39 said they had left a job in the previous year. Table 3-4 summarizes the explanations provided. Fifty-nine percent of the 39 respondents gave job-related reasons as the most important reason for why they left their last job, including being fired, laid off, not getting enough hours, or coming to the end of a temporary job.

Table 3-3
Explanations Provided by Respondents Working 32+ Hours Weekly
at Wave 2 for Not Working at Least 32 Hours Weekly at Wave 3 (N=56)

Reason	N[†]	%
Job-related	37	66.1
Problem with family or friends	9	16.1
Child care	6	10.7
Illness/injury/disability	5	8.9
Transportation	4	7.1
Drug/alcohol use	2	3.6
Skill/experience/education	2	3.6
Financial	1	1.8
Legal	1	1.8
Other reason	8	14.3

[†] Respondents could provide up to three responses, and hence the responses do not total 56.

Table 3-4
Most Important Reason for Leaving Work in 12 Months Prior to
Wave 3 among Respondents No Longer Working 32+ Hours Weekly
at Wave 3 (N=39)

Reason no longer working	N[†]	%
Respondent's illness	4	10.3
Illness of family member	1	2.6
Child care problems	3	7.7
Pregnancy or new child	2	5.1
Fired	7	17.9
Lay-off	12	30.8
Not enough hours	1	2.6
Temporary job	3	7.7
Other	8	20.5

[†] A few respondents gave more than one reason, hence N totals 41, not 39.

Association between Potential Barriers and Work

Health-related barriers. Table 3-5 summarizes the association of health-related potential barriers and work. For each potential barrier, this table shows the percentage of respondents *with* the barrier who were working 32 or more hours per week versus the percentage *without* the barrier who were working 32 or more hours per week. Substantial change took place between Wave 2 and Wave 3. Heavy drinking and alcohol dependence, each of which showed significant association with work status at Wave 2, were no longer significantly associated with work status at Wave 3. This is most evident with regard to three or more alcohol dependence symptoms. At Wave 2, 12.9 percent of study participants assessed as having this barrier were working full-time, while 44.0 percent of those without the barrier were working full-time. Twelve months later, the prevalence of work was essentially equivalent for the two groups, those with and without the barrier.

Drug use – even daily – maintained its lack of association with work status at both Wave 2 and Wave 3.

While physical health, by three different measures, was associated with work status at Wave 2, at Wave 3 only two of the three measures remained associated. No longer, at Wave 3, were individuals with two or more physical health problems less likely to be working 32 or more hours per week than were individuals without two or more physical health problems. On the other hand, two or more functional limitations and self-assessment of health as fair to poor remained significantly associated with not working full-time.

Mental health maintained its importance at Wave 3, but only along two of the four dimensions that were salient at Wave 2. Individuals with low vitality and possible depression were at risk for not working the required number of hours at both waves (anxiety was borderline significant at Wave 3, $p = .11$). However, the overall measure of mental health, *mental health case*, was significant at Wave 2 but not at Wave 3. This measure, as defined in Table 2-1, is based on high scores on a mix of possible mental health disorders, so, because of its breadth, it may not prove to be such a good indicator.

Partner control, while demonstrating an effect at Wave 2, did not do so at Wave 3. Physical violence perpetrated by the respondent's partner did not prove to be significantly associated with work at either wave.

Non-health-related barriers. As with health-related barriers, not all non-health-related potential barriers significantly associated with full-time work at Wave 2 remained so at Wave 3 (see Table 3-6). While twelve non-health-related measures were found significant at Wave 2, at Wave 3 that number dropped to five. Five of six family responsibility barriers that had been significantly associated with work at Wave 2 were no longer associated at Wave 3; only lack of regular family child care was significant at both waves. The three human capital measures that proved associated at Wave 2 (criminal justice system involvement, limited English proficiency, and few work skills) no longer retained such associations. Instead, limited education *became* associated with working. The demographic measure, older age, and longer welfare history retained their significance with lack of working, while one of the housing barriers – moving – gained significance.

**Table 3-5
Health-related Barriers and Work Status**

	WAVE 2 (N=449)			WAVE 3 (N=430)		
	With Barrier	Without Barrier	P	With Barrier	Without Barrier	P
Alcohol use						
Heavy drinking	27.9	43.3	*	50.0	46.5	NS
Alcohol dependence	12.9	44.0	***	50.0	46.6	NS
Illegal drug use						
Daily drug use	26.9	42.8	NS	45.8	46.8	NS
Frequent drug use	32.4	42.7	NS	46.7	46.8	NS
Physical health						
2+ health problems	35.6	48.2	***	43.9	49.1	NS
2+ functional limitations	28.0	45.8	***	28.2	51.3	****
Health fair to poor	30.5	46.5	**	35.3	51.0	***
Mental health						
Low vitality	20.3	45.1	****	30.0	48.9	**
Mental health “case”	31.0	46.1	***	42.9	48.2	NS
Depression	27.7	43.5	**	32.6	48.3	**
Anxiety	19.6	44.7	***	36.8	48.3	NS
Partner abuse						
Partner violence	29.2	42.6	NS	42.1	47.0	NS
Partner control	20.7	43.3	**	42.3	47.0	NS

* p < .10 ** p < .05 *** p < .01 **** p < .001

**Table 3-6
Non-health-related Barriers and Work Status**

	WAVE 2 (N=449)			WAVE 3 (N=430)		
	With Barrier	Without Barrier	P	With Barrier	Without Barrier	P
Demographics						
Younger age (W1)	36.4	42.5	NS	48.6	46.6	NS
Older age (W1)	26.3	43.3	**	33.3	48.1	*
Immigrant	36.1	43.0	NS	47.7	46.6	NS
Family responsibility						
Has toddler	35.1	44.1	*	40.0	48.3	NS
3+ minor children	43.8	41.2	NS	43.6	47.8	NS
Solo parent	42.0	41.8	NS	46.2	47.0	NS
Lacks family child care	35.6	50.0	**	34.4	64.4	****
Needs more child care	7.0	46.9	****	56.3	45.5	NS
Needs evening child care	12.0	45.6	****	53.3	46.5	NS
Special needs child	29.1	44.9	**	46.7	46.8	NS
Pregnant or new baby	31.1	43.7	*	42.9	47.3	NS
Human capital						
CJ system involvement	22.9	43.5	**	45.5	46.9	NS
Limited English proficiency	27.8	43.1	*	46.7	46.8	NS
Limited education	36.8	44.3	NS	40.0	50.4	**
Few work skills	30.7	44.6	**	42.0	47.4	NS
Transportation						
No car and/or no driver's license	31.4	56.4	****	35.9	56.7	****
Housing						
Temporary housing	33.3	42.6	NS	36.8	47.7	NS
Moved	40.6	42.0	NS	27.8	48.5	**
Welfare history						
Longer welfare history	38.3	50.4	**	43.5	54.2	**

* p < .10 ** p < .05 *** p < .01 **** p < .001

Table 3-7 displays the 19 potential barriers and two additional sociodemographic characteristics that were selected for multivariate analyses examining the relationship of potential barriers with full-time work, at Wave 2 and at Wave 3. Variables selected for inclusion in the models represent potential barriers that have shown associations with working either in this or previous reports or in the literature. We avoided selecting variables that overlapped with other variables already selected. Thus, for example, we did not select more than one measure of alcohol use, use of illegal drugs, or physical health.

Table 3-8 displays the results of the multivariate models in the form of odds ratios. For each variable in the model, the odds ratio expresses the probability of working 32 or more hours per week for respondents having that characteristic or barrier, compared to respondents in the reference category, who are individuals without that characteristic or barrier. The odds ratio for each variable is calculated while controlling for all other variables in the model. Since the reference category is always assigned an odds of 1.00, an odds ratio greater than one signifies that the characteristic or presumed barrier is associated with a greater likelihood of working. An odds ratio less than one means the variable is associated with a lower likelihood of working. Thus, we find, for example, that a respondent assessed at Wave 2 as having the *needs more child care* barrier is only 9 percent as likely to be working 32 or more hours per week compared to someone without this potential barrier. This is a statistically significant finding, i.e., the difference in the odds of working for respondents with and without the *needs more child care* barrier is unlikely due to chance. On the other hand, the finding at Wave 3 that respondents with the *needs more child care* barrier are 76 percent as likely to be working is not statistically significant. Similarly, while at Wave 3, individuals with limited English proficiency and those with few work skills were more likely to be working at or above the 32 hour a week rate compared to people without these presumed barriers, these observed differences are not statistically significant, i.e., they are likely due to chance.

In Table 3-8 we have highlighted the rows in which significant relationships are evident for both interview waves. While sociodemographic and human capital variables failed to meet this criterion for focus, one family responsibility, the transportation, and two health-

related barriers sustained significant relationships with work across the two interview waves.

The following variables showed significant associations with working 32 or more hours per week at both Waves 2 and 3: *alcohol dependence*, *functional limitations*, *lack of family child care*, *lack of a car and/or a driver's license*, and *longer welfare history*. Over time, *lack of family child care* increased its significant association with work, so that at Wave 3 a respondent without family child care was only one-quarter as likely to work full-time, compared to a respondent with family child care. *Lack of a car and/or a driver's license* retained its level of significance across the two waves, at both of which times the respondent with this transportation barrier was less than half as likely to be working as one without the barrier. Across the two interview waves, *longer welfare history* and *functional limitations* were both found to diminish the odds of working. Respondents who had been on welfare for more than two years already at Baseline were between 59 percent (Wave 2) and 65 percent (Wave 3) less likely to be working the targeted 32 hours a week than respondents with shorter welfare histories. *Functionally limited* respondents showed even lower odds of working of 0.58 at Wave 2 and 0.41 at Wave 3 compared to respondents not *functionally limited*.

Unexpectedly, *alcohol dependence* remained significantly associated with working but moved from having a negative association with working to a positive association.

Meanwhile, *anxiety*, *needs more child care*, and *Vietnamese ethnicity*, each of which had a significant negative association with working at Wave 2, lost that relationship at Wave 3, and *has toddler* and *White race*, not significant at Wave 2, became significant at Wave 3. Of additional importance, the proportion of variance explained by the multivariate model at the two interview waves – the R^2 – declined substantially from 0.32 at Wave 2 to 0.24 at Wave 3. A fairly low R^2 is not unusual in complex socio-epidemiological models of this sort. However, the fact that only 24 percent of the variability of the association of sociodemographic and barriers variables with work status is accounted for in the Wave 3 model means that other, unmeasured factors came into play in determining work status.

It should be noted that the associations evident in Table 3-8 do not constitute arguments for causation, or even directionality of the relationships. This caution holds more obvious relevance for some potential barriers than for others. For example, *lack of transportation* may be either a cause or an effect (or neither) of working. Lack of a car may make working difficult or impossible, but lack of work may make the purchase or upkeep of a car impossible. The same argument holds for *child care*: for some individuals, lack of flexible, available, family-provided child care coverage may make work unthinkable or impossible. At the same time, lack of a rewarding job may diminish the motivation to secure help from family members.

Taken together, it appears that, by Wave 3, processes that had been operating at Wave 2 were no longer salient for the respondent group. Social and personal forces that had been operational – e.g., *anxiety* and *need for more child care* – were no longer influencing personal and household decisions about working as respondents both had more time to prepare for work and moved closer to State and federal time limits on welfare receipt. The approach of time limits may account for the lack of significance of many barriers at Wave 3. That is, with time limits clearly on the horizon, respondents may have found that they could go to work despite having what appeared to be serious barriers such as their alcohol dependence. At the same time, knowing that the prevalence of full-time work hardly changed from Wave 2 to Wave 3, and having seen so many respondents pulling back from, or losing, full-time work in the time between Waves 2 and 3, one must recognize that volition to work did not prove sufficient to obtain and retain full-time work.

The multivariate model emphasizes the significance of the family child care barrier, which increased across interview waves, and that of the transportation barrier, which retained its strong negative association with working. Further, as we shall see in Section 5, utilization of the CalWORKs transportation and child care benefits declined between Wave 2 and Wave 3. The picture that emerges is one of the strong importance of logistic support for work as welfare reform time limits come clearly into view and the CalWORKs welfare-to-work program matures.

**Table 3-7
Potential Barriers Examined in Multivariate Model**

Domain	Measure	Definition
Alcohol use	Alcohol dependence	3+ of 9 alcohol dependence symptoms in past year
Illegal drug use	Daily drug use	Daily illegal drug use in past year
Physical health	2+ functional limitations	R limited a lot by health in at least 2 of 10 activities currently (10 items from SF-36 physical functioning scale, e.g., lifting or carrying groceries, walking several blocks)
Mental health	Depression	Depression, last 7 days (based on normative score on 6 items adapted from the SCL-90)
	Anxiety	Anxiety, last 7 days (based on normative score on 6 items adapted from the SCL-90)
Partner abuse	Partner violence	Physically abused by partner/spouse in past year (e.g., hit, slapped, kicked, choked)
	Partner control	Current or former partner made it difficult to find or keep a job past year (e.g., through guilt, discouragement, refusing support, or harassment)
Demographics	Older age	Age 45+ years at Baseline
	Has toddler	Has child < 3 years at home
	Lacks family child care	Lacks regular family child care currently (provided by R's spouse or partner, or child's other parent, grandparent, aunt, uncle, older sibling, or other relative)
	Needs more child care	Does not have child care for all children and/or at all times needed in order to go to work, school, or training currently.
	Special needs child	Child required extra care last year for a physical, medical, or emotional problem
	Pregnant or new baby	New baby or pregnant in past year (women only)
Human capital	CJ system involvement	Involvement in criminal justice system in last 90 days (in jail or prison, on bail, probation, work release or parole, or awaiting charges, trial or sentencing), or arrested in past year
	Limited English proficiency	Speaks, reads, and/or writes English "not too well" or "not at all"
	Limited education	Lacks high school diploma or GED certificate
	Few work skills	Has fewer than 5 of 30 work skills
Transportation	No car and/or no driver's license	No car and/or no driver's license
Welfare history	Welfare history	On AFDC/TANF > 2 years at Baseline

Table 3-8
Adjusted Models of Association of Demographic and Barrier Variables with
Working 32 or More Hours per Week, at Wave 2 and Wave 3

Variable	WAVE 2 (N=449; R ² =.323)		WAVE 3 (N=430; R ² =.235)	
	Odds Ratio	p	Odds Ratio	p
Sociodemographics				
Age (19-44) †				
45+	0.64	NS	0.81	NS
Gender (female) †				
Male	0.83	NS	1.15	NS
Race/Ethnicity (African American) †				
White	0.97	NS	1.97	*
Hispanic	1.07	NS	1.15	NS
Vietnamese	0.39	*	0.54	NS
Other	0.96	NS	0.79	NS
Health-Related Barriers				
Alcohol dependence	0.26	**	2.47	*
Daily drug use	0.57	NS	0.95	NS
Functional limitations	0.58	*	0.41	***
Depression	1.60	NS	0.68	NS
Anxiety	0.32	**	1.17	NS
Partner violence	1.33	NS	0.44	NS
Partner control	0.45	NS	1.10	NS
Family Responsibility				
Has toddler	0.73	NS	0.54	**
Lacks family child care	0.67	*	0.26	****
Needs more child care	0.09	****	0.76	NS
Special needs child	0.66	NS	1.16	NS
Pregnant or new baby	0.59	NS	1.03	NS
Human Capital				
Limited education	1.27	NS	0.75	NS
Limited English proficiency	0.61	NS	1.56	NS
Few work skills	0.62	NS	1.50	NS
CJ system involvement	0.71	NS	0.96	NS
Transportation				
No car and/or no driver's license	0.37	****	0.47	****
Welfare History				
Longer welfare history	0.59	**	0.65	*

* p < .10 ** p < .05 *** p < .01 **** p < .001

†The value in parentheses indicates the reference group to which the odds of working for the other group(s) was/were compared.

Association between Potential Barriers and Welfare

For the purposes of this study, it should be recalled, a respondent was “on welfare” if she or he, or their children, reported receiving cash benefits from the CalWORKs program within the 30 days prior to interview. Tables 3-9 and 3-10 show the percentage of respondents *with* versus *without* each potential barrier who were on welfare at Wave 2 and at Wave 3. Overall, there were few significant relationships between health-related barriers and welfare at Wave 2, and those evident at Wave 2 disappeared by Wave 3. At each Wave, several non-health-related barriers were significantly associated with welfare.

Health-related barriers. While three health-related barriers were significantly associated with welfare status at Wave 2, by Wave 3 none were (see Table 3-9). At Wave 2 respondents with two or more physical health problems were significantly more likely to be receiving welfare (66.2% of those with the barrier receiving CalWORKs cash benefits, versus 55.4% without the barrier). Even stronger was the association with respondents reporting that she or he was limited in two or more activities. Of those with two or more such limitations, 73.0 percent were receiving welfare assistance versus 57.3 percent of those with none or one such limitation. A similar relationship was found with respondents’ self-rated health status. At Wave 3 all three of these relationships disappeared.

In neither wave were significant associations found for the drug use, mental health, or partner abuse barriers.

Non-health-related barriers. At both Waves 2 and 3, non-health-related barrier associations with welfare status were evident (see Table 3-10). Transportation, family responsibility, human capital, family composition, and welfare history barriers were significantly associated with welfare status at both Wave 2 and Wave 3. Although 70.1 percent of those assessed with the transportation barrier – no driver’s license and/or no available car – were CalWORKs recipients at Wave 2, and that proportion declined to 56.8 percent at Wave 3, at both interviews the transportation barrier was significantly associated with welfare receipt. Similarly, *limited education*, *few work skills*, *three or more minor children*, and *longer welfare history at Baseline* was each found significant at

both Waves 2 and 3. At the same time, in each case the prevalence on welfare of those with the potential barrier dropped between Waves.

Three family responsibility barriers, one demographic barrier, and one family composition barrier, which had been significantly associated with welfare receipt at Wave 2, lost that significance at Wave 3. There was no finding of significance for the *needs more child care* or *needs evening child care barrier*, which at Wave 2 had been highly significantly associated with welfare receipt, or *responsibility for a special needs child in the last year*, which had been moderately associated with welfare receipt at Wave 2. Likewise, *age 45 or older at baseline* and *solo parent* were no longer significantly associated with welfare status at Wave 3.

Three barriers which had displayed no significant relationship with welfare receipt at Wave 2 were found significantly associated at Wave 3. *Lacks family child care*, not significantly associated with welfare at Wave 2, became so at Wave 3. Additionally, *arrest in the past year* or *involvement in the criminal justice system in the last 90 days* and *limited English proficiency* were each found significant at Wave 3. *Criminal justice system involvement*, at Wave 3, was negatively associated with welfare, the reverse of its status at Wave 2.

**Table 3-9
Health-related Barriers and Welfare Status**

	WAVE 2 (N = 449)			WAVE 3 (N = 430)		
	% On welfare		P	% On welfare		P
	With Barrier	Without Barrier		With Barrier	Without Barrier	
Alcohol use						
Heavy drinking	60.5	60.8	NS	46.9	47.0	NS
Alcohol dependence	71.0	60.0	NS	50.0	46.8	NS
Illegal drug use						
Daily drug use	73.1	60.0	NS	45.8	47.0	NS
Frequent drug use	67.6	60.2	NS	43.3	47.3	NS
Physical health						
2+ health problems	66.2	55.4	**	46.5	47.4	NS
2+ functional limitations	73.0	57.3	**	50.6	46.1	NS
Health fair to poor	67.9	57.9	**	49.1	46.2	NS
Mental health						
Low vitality	69.5	59.5	NS	42.0	47.6	NS
Mental health “case”	62.7	60.1	NS	48.7	46.3	NS
Depression	57.4	61.2	NS	46.5	47.0	NS
Anxiety	62.7	60.6	NS	56.1	45.6	NS
Partner abuse						
Partner violence	75.0	60.0	NS	47.4	47.0	NS
Partner control	62.1	60.7	NS	46.2	47.0	NS

* p < .10 ** p < .05 *** p < .01 **** p < .001

Table 3-10
Non-health-related Barriers and Welfare Status

	WAVE 2 (N=449)			WAVE 3 (N=430)		
	With Barrier	Without Barrier	P	With Barrier	Without Barrier	P
Demographics						
Younger age (21 years old or younger at Baseline)	56.8	61.2	NS	42.9	47.3	NS
Older age (45 years or older at Baseline)	73.7	59.6	*	53.8	46.3	NS
Immigrant	63.9	60.2	NS	55.4	45.5	NS
Family responsibility						
Has toddler	63.1	60.1	NS	55.0	45.1	NS
3+ minor children	68.6	57.9	**	55.5	44.1	**
Solo parent	67.0	56.8	**	51.0	44.9	NS
Lacks family child care	63.2	57.7	NS	51.8	40.1	**
Needs more child care	82.5	57.7	****	50.0	46.6	NS
Needs evening child care	84.0	57.9	****	46.7	47.0	NS
Special needs child	70.9	58.4	**	49.3	46.5	NS
Pregnant or new baby	65.6	60.0	NS	53.1	47.0	NS
Human capital						
CJ system involvement	71.4	59.9	NS	31.8	48.7	**
Limited English proficiency	72.2	59.8	NS	66.7	45.5	**
Limited education	72.2	55.4	**	58.0	41.1	**
Few work skills	76.1	57.1	**	64.0	44.7	**
Transportation						
No car and/or no driver's license	70.1	47.9	****	56.8	37.9	****
Housing						
Temporary housing	61.1	60.8	NS	52.6	46.4	NS
Moved	53.1	61.4	NS	50.0	46.7	NS
Welfare history						
Longer welfare history	66.8	46.6	****	53.8	31.3	****

* p < .10 ** p < .05 *** p < .01 **** p < .001

Summary

- Little change in full-time work was evident between Wave 2 and Wave 3. At Wave 2, 44.5 percent of the sample was working 32 or more hours a week compared to 46.5 percent a year later at Wave 3 (Table 3-1).
- The Wave 2 to Wave 3 drop in the proportion of respondents on welfare and not working is mirrored by an increase in the proportion off welfare and working 32 or more hours. Meanwhile, worrisome increases are evident in the increased proportion of respondents off welfare and not working or working less than full-time (Figure 3-1).
- Between Baseline and Wave 3 the number of study participants essentially not in the labor force – those *not looking* for work and *not working* at least one hour weekly – declined 14.2 percent. In the same time period the number *not looking* for work and *working* 32 or more hours weekly increased 15.4 percent. The number of respondents *looking for work* and *working* 32 or more hours weekly increased 5.3 percent (Table 3-2).
- One-third of respondents working full-time at Wave 2 (56 of 179) were no longer working that much at Wave 3. Most respondents offered job-related reasons for not working full-time, the most common of which was that full-time work was not available. Others referenced their having been laid off or fired, minimal wages provided by work, and involvement in CalWORKs activities. Three persons said they were not interested in working full-time. Six of the nine respondents giving explanations concerning a problem with family or friends specified that they wanted or needed to stay home with a child or other family member (Tables 3-3, 3-4).
- Not all barriers associated with working 32 or more hours a week at Wave 2 in bivariate analyses, unadjusted for other factors, retained that association at Wave 3. Six of ten health-related barriers and eight of twelve non-health-related barriers showing significant associations at Wave 2 seemingly no longer had an

impact on work status twelve months later at Wave 3. While two physical health and two mental health barriers were found negatively associated with work at both waves, two alcohol use, one physical health, two mental health, and one partner abuse barrier lost significant associations. Among non-health-related barriers, the transportation, one family responsibility, older age, and longer welfare history barriers were found negatively associated with work at both waves. Meanwhile, four family responsibility and two human capital barriers were transient in their negative associations with work (Tables 3-5, 3-6).

- The loss of significance of relationships between barriers and work status at Wave 3 compared to Wave 2 was also evident in multivariate analyses at Wave 2 and 3 of the association between 19 potential barriers and two additional sociodemographic characteristics and working full-time. While at Wave 2 *needs more child care* and *anxiety* each had a significant negative relationship with working 32 or more hours a week, these relationships no longer held true at Wave 3. The relationship of *alcohol dependence* with full-time work changed completely, from a significantly negative association at Wave 2 to a positive association at Wave 3. We surmise that the cumulative effect of welfare-to-work activities, plus the impending imposition of Federal and State time limits on welfare receipt, may be partly responsible for lack of influence of what may otherwise have proved to be serious barriers to working full-time (Table 3-8).
- At both Wave 2 and Wave 3, *lack of regular family child care*, *no car and/or no driver's license*, *longer welfare history*, and *two or more functional limitations* were all negatively associated with work status in multivariate analyses. Lack of family child care and functional limitations gained in significance between the two interview waves. The transportation and child care results clearly reinforce the strong importance of logistic support for work (Tables 3-5, 3-6, and 3-8).
- Three measures of physical health found to be significantly associated with being on welfare at Wave 2 were no longer significantly associated with welfare status at Wave 3 in bivariate analyses. The disappearance of significant relationships

was also seen for five of ten non-health-related barriers with welfare status at Wave 2 versus Wave 3. Barriers with significance at both waves were limited education, fewer than five work skills, having three or more minor children, and a longer welfare history at baseline. Barriers not significantly associated with welfare status at Wave 2 but found positively associated at Wave 3 included lacks family child care and limited English proficiency. Criminal justice involvement became negatively associated with welfare status Wave 3 (Tables 3-9, 3-10).

4. ASSESSMENT OF SOURCES AND AMOUNTS OF INCOME AND ECONOMIC WELL-BEING AT WAVE 3 AND CHANGES ACROSS WAVES

This section continues the inquiry begun in previous reports into the economic well-being of study participants by looking at receipt and amounts of income from public assistance, earnings, and other sources across the three study waves. The results shed further light on the question of whether study respondents, overall, are better or worse off economically at their Wave 3 interview, three years into California's implementation of Welfare Reform, than they were 12 and 27 months previously. The findings also permit us to comment on the extent to which work "makes a difference" in the economic lives of current and former welfare recipients.

Results are presented for the *entire household*. At all three interview waves, respondents were asked the amount of income received from various sources in the last 30 days, by the respondent, the respondent's children, and by anyone else in the household with whom the respondent shares money.

Receipt of Section 8, a federal form of subsidized housing, is likely underreported at Waves 1 and 2 compared to Wave 3, given that the Wave 3 survey instrument added a specific question on receipt and amount of housing subsidies as part of the series of questions on public assistance. Because of this disparity of data across waves, much of the discussion that follows ignores the contribution of housing subsidies to computations of public assistance and total income.

Public Assistance Income

As Table 4-1 shows, overall the percentage of households receiving income from any public source other than a housing subsidy declined from 94.2 percent at Wave 1 to 77.3 percent at Wave 2 and 65.4 percent at Wave 3. Most significant, socially speaking, the evidence of departure from CalWORKs "welfare" corresponds to what was seen above in Figure 2-4 and Table 3-1, which display decreased receipt of CalWORKs cash assistance across interview waves. In Table 4-1, additionally, we see that respondent households also moved away from receipt of Food Stamps and WIC vouchers. While receipt of

transportation vouchers increased from Baseline to Wave 2, at Wave 3 the prevalence of households receiving transportation vouchers declined to below the Baseline level.

Essentially no corresponding change toward reliance on the County's General Assistance program was evident, but a noteworthy shift to SSI/SSDI benefits took place over the 15-month interval between Baseline and Wave 2. By Wave 2 more than twice the number of study participants were in households receiving those disability benefits, while the number remained essentially unchanged between Waves 2 and 3. It should be noted that we cannot tell from this table whether the respondent became eligible for disability benefits, whether the status of another member of the household changed, or whether the composition of the respondent's household changed, adding a member who received SSI or SSDI benefits. As we noted in Report #4, this increased proportion of households receiving SSI/SSDI may also be attributed to underreporting at Baseline, when, unlike subsequent questionnaires, the interview did not explicitly ask about receipt of SSI/SSDI but captured mentions in an "other" category of public assistance.

Between Baseline and Wave 3, the number of respondent households¹ receiving public assistance benefits other than housing subsidies declined from 373 to 259. In light of both this substantial decline and changes in benefit amounts for those receiving them, the mean dollar amount received also declined over time, from a monthly average of \$726 in Wave 1 to \$462 in Wave 3 (see bottom line of Table 4-2). This change was the product of a \$246 drop in CalWORKs benefits, a \$73 average decline in Food Stamp benefits, a \$10 drop in the value of WIC vouchers, and a \$66 increase in value of SSI/SSDI benefits. Since by far more households received CalWORKs and Food Stamps than any other benefit, their dollar loss dominates the picture. It is noteworthy that the change in Table 4-2 figures for only households with benefit receipt look very different, compared to the average for the sample.

Since average household size grew slightly over time, from 4.15 at Baseline to 4.22 at Wave 2 and then to 4.27 persons at Wave 3 (data not presented tabularly), the per capita

¹ Among the 396 respondents for whom we have three waves of income data.

value of public assistance benefits declined even faster than what is portrayed by Table 4-2. Disregarding the value of housing subsidies, at Baseline the average monthly value of public assistance, among households that received any public assistance, was \$198 per household member. At Wave 3, the per capita value of public assistance declined 21 percent to \$156 (data not presented tabularly²). These changes in the proportion of households receiving public assistance, and in the average and per capita dollar values of that assistance, provide evidence of a collective two steps toward self-sufficiency.

Table 4-1
Sources of Household Public Assistance in the Last 30 Days
Waves 1 to 3 (N = 396)[†]

PERCENT RECEIVING:	Wave 1		Wave 2		Wave 3	
	%	N	%	N	%	N
CalWORKs/TANF	91.2	361	62.6	248	48.2	191
Food Stamps	88.4	350	62.6	248	50.8	201
WIC Vouchers	29.5	117	19.4	77	13.1	52
Transportation Vouchers	12.6	50	17.4	69	9.3	37
General Assistance	0.8	3	0.5	2	1.3	5
SSI/SSDI	7.8	31	18.9	75	18.7	74
Housing Subsidy ^{††}	1.3	5			41.4	164
Other	0.5	2				
Any Public Assistance (including housing subsidies)	94.2	373			74.2	294
Any Public Assistance (excluding housing subsidies)	94.2	373	77.3	306	65.4	259

[†] Only respondents for whom complete income data were available are included in this and subsequent analyses in this section. This results in a sample size of 396, six fewer than the 402 respondents who participated in all three interviews.

^{††} Asked only at Wave 3, although a few respondents volunteered the information at Wave 1.

² These values differ slightly from what would be found if the family size figures noted above for the whole sample (4.15, 4.22, 4.27) were used in these calculations. Instead, these figures rely on family size only for respondents receiving any public assistance.

Table 4-2
Average Household Income from Public Assistance in the Last 30 Days,
Waves 1 to 3 (N = 396)[†]

AVERAGE AMOUNT RECEIVED	Wave 1		Wave 2		Wave 3	
	ALL	If \$ > 0	ALL	If \$ > 0	ALL	If \$ > 0
CalWORKs/TANF	\$481	\$529	\$320	\$520	\$235	\$499
Food Stamps	\$172	\$196	\$120	\$196	\$99	\$196
WIC Vouchers	\$20	\$76	\$14	\$84	\$10	\$84
Transportation Vouchers	\$6	\$49	\$9	\$57	\$5	\$56
General Assistance	\$2	\$224	\$1	\$255	\$5	\$366
SSI/SSDI	\$43	\$612	\$102	\$663	\$109	\$663
Housing Subsidy ^{††}	\$9	\$704			\$262	\$752
Other	\$2	\$371				
Any Public Assistance (including housing subsidies)	\$735	\$778			\$724	\$975
Any Public Assistance (excluding housing subsidies)	\$726	\$771	\$567	\$734	\$462	\$706

[†] Only respondents for whom complete income data were available are included in this and subsequent analyses in this section. This results in a sample size of 396, six fewer than the 402 respondents who participated in all three interviews.

^{††} Asked only at Wave 3, although a few respondents volunteered the information at Wave 1.

Earnings and Other Income

Table 4-3 presents data on sources of employment earnings and other sources of household income, and Table 4-4 displays associated average income from those sources. For each income source, at each wave, Table 4-4 reports average last-30-day income for the study group as a whole as well as for the subset receiving that form of income. The sources include other kinds of work such as recycling, panhandling, or other unreported work like babysitting and maintenance work, work-related benefits (disability pay, unemployment compensation, pensions), child support, economic support from non-household family or friends, and other non-public sources of income (e.g., investments, savings). Overall, the largest share of “earned” income comes from regular employment. Slightly over half of respondent households (53.0%) had employment income from work at a regular job or business at Baseline, with a sample average of \$563 in the last 30 days.

An additional 18 percent of respondent households (or a total of 71.0%) had such regular employment income at Wave 3, with a monthly sample average of \$1,165, a notable increase. Among the group of households reporting work at a regular job, average income increased 52 percent, from \$1,144 to \$1,735.

Across the three interview waves, from 8.1 to 13.4 percent of respondents also mentioned income from unreported work. On average, however, monthly income from these sources was at most the \$26 sum mentioned at Wave 3. Other sources of income were many, but, overall, dollars received were relatively few, with three exceptions. Eighteen percent (N = 72) of respondents reported income from child support at Wave 3, unchanged from the prevalence at Wave 2, and this accounted for an average across the study sample of \$43 monthly, an amount also unchanged from Wave 2. Seven percent of Wave 3 households were reported to receive retirement or pension income, which averaged \$40 monthly for the study sample. Just under one in ten respondents (9.6%) described income from loans or gifts, amounting to a monthly average of \$20 at Wave 3. Each of the other forms of income was received by less than five percent of respondents and accounted for less than \$20 in monthly income for the sample.

In total, 83.3 percent of Wave 3 respondents reported household income from earnings or other non-public sources, an increase of about five percentage points from Baseline or Wave 2. Total monthly income value for those receiving such income amounted to \$1,642, an increase of 17 percent from Wave 2 and a total increase of 62 percent from Baseline. As we have already noted, some of the increases may be due to changes in household composition, including increased household size since Baseline.

Table 4-3
Sources of Non-Public Assistance Household Income in the Last 30 Days
Waves 1 to 3 (N = 396)

PERCENT RECEIVING INCOME FROM SEVERAL SOURCES	Wave 1		Wave 2		Wave 3	
	%	N	%	N	%	N
Employment at a regular job or business	53.0	210	68.2	270	71.0	281
Recycling, flea marketing, selling own things	8.8	35	7.3	29	4.8	19
Panhandling/begging	0.5	2	0.5	2	0.5	2
Unreported work	13.4	53	8.1	32	11.4	45
Retirement/pension	9.8	39	4.8	19	7.3	29
Disability pay	4.0	16	3.5	14	3.0	12
Unemployment compensation	2.3	9	2.3	9	4.0	16
Savings	3.3	13	3.5	14	3.0	12
Government or charity	0.3	1	0.3	1	0.0	0
Investments	4.0	16	1.5	6	1.0	4
Child support	13.4	53	18.2	72	18.2	72
Income from family/friends residing elsewhere	5.6	22	3.3	13	1.8	7
Loans or gifts	13.1	52	8.1	32	9.6	38
Foster child funds	0.0	0	0.3	1	0.0	0
Gambling	0.5	2	1.0	4	0.0	0
Other	0.8	3	0.0	0	0.0	0
Any earnings or other sources of income from this table	77.0	305	78.8	312	83.3	330

Table 4-4
Average Non-Public Assistance Household Income in the Last 30 Days,
Waves 1 to 3 (N = 396)

AVERAGE AMOUNT RECEIVED FROM INCOME FROM SEVERAL SOURCES	Wave 1		Wave 2		Wave 3	
	ALL	If \$ > 0	ALL	If \$ > 0	ALL	If \$ > 0
Employment at a regular job or business	\$563	\$1,144	\$925	\$1,482	\$1,165	\$1,735
Recycling, flea marketing, selling own things	\$3	\$36	\$8	\$108	\$5	\$104
Panhandling/begging	\$0	\$85	\$0	\$35	\$0	\$17
Unreported work	\$23	\$172	\$10	\$124	\$26	\$249
Retirement/pension	\$61	\$782	\$27	\$875	\$40	\$889
Disability pay	\$23	\$616	\$23	\$1,276	\$16	\$806
Unemployment compensation	\$8	\$336	\$12	\$570	\$16	\$446
Savings	\$23	\$843	\$9	\$307	\$14	\$453
Government or charity	\$1	\$579	\$9	\$3,500	\$0	\$0
Investments	\$13	\$377	\$15	\$1,210	\$16	\$1,538
Child support	\$15	\$112	\$43	\$242	\$43	\$240
Income from family/friends residing elsewhere	\$14	\$264	\$7	\$220	\$6	\$350
Loans or gifts	\$28	\$212	\$14	\$177	\$20	\$212
Foster child funds	\$0	\$0	\$1	\$483	\$0	\$0
Gambling	\$1	\$225	\$1	\$69		
Other	\$3	\$413	\$0	\$0	\$0	\$0
Any earnings or other sources of income from this table	\$782	\$1,015	\$1,102	\$1,399	\$1,368	\$1,642

Total Income

Table 4-5 and Figure 4-1 display, over time, the contributions of public assistance and earnings and other cash and non-cash income to total monthly respondent household income.³ The dollar contribution attributed to public assistance declines between each interview wave, from \$726, or 48 percent of total monthly income, at Wave 1, to \$462, or

³ This table and figure extract and combine the figures for the average total amounts received from public assistance and earnings or other sources of income from the bottom rows of Tables 4-2 and 4-4, respectively.

25 percent of total monthly income, at Wave 3, a drop of 36 percent. Earnings and other sources of income increase from \$782, or 52 percent of total monthly income, at Wave 1, to \$1,368, or 75 percent of total monthly income, at Wave 3, an increase that more than offsets the loss from public assistance. Hence, total household monthly income, except for the value of housing subsidies, rose, from \$1,508 at Wave 1 to \$1,830 by Wave 3, a net increase of 21 percent.⁴ Figure 4-2 displays the same summary information but uses median rather than mean household income. The median monthly income increased 17 percent, from \$1,275 at Baseline to \$1,497 at Wave 3.

Table 4-5
Total Average Household Income in the Last 30 Days,
Wave 1 to 3 (N=396)

Income	Wave 1	Change W1 to W2	Wave 2	Change W2 to W3	Wave 3	Change W1 to W3
Total public assistance †	\$726	-22%	\$567	-19%	\$462	-36%
% income from public assistance	48		34		25	
Total earnings + other income	\$782	41%	\$1,102	24%	\$1,368	75%
% income from earnings/other sources	52		66		75	
Total household income †	\$1,508	11%	\$1,669	10%	\$1,830	21%

† Excludes the value of housing subsidies

⁴ Given the relatively short time period between waves, and the modest inflation rate during this period, we have not adjusted figures to account for changes in the cost-of-living.

Figure 4-1
Changes in Average Monthly Household Income, Excluding the Value of Housing Subsidies, by Source and Wave (N=396)

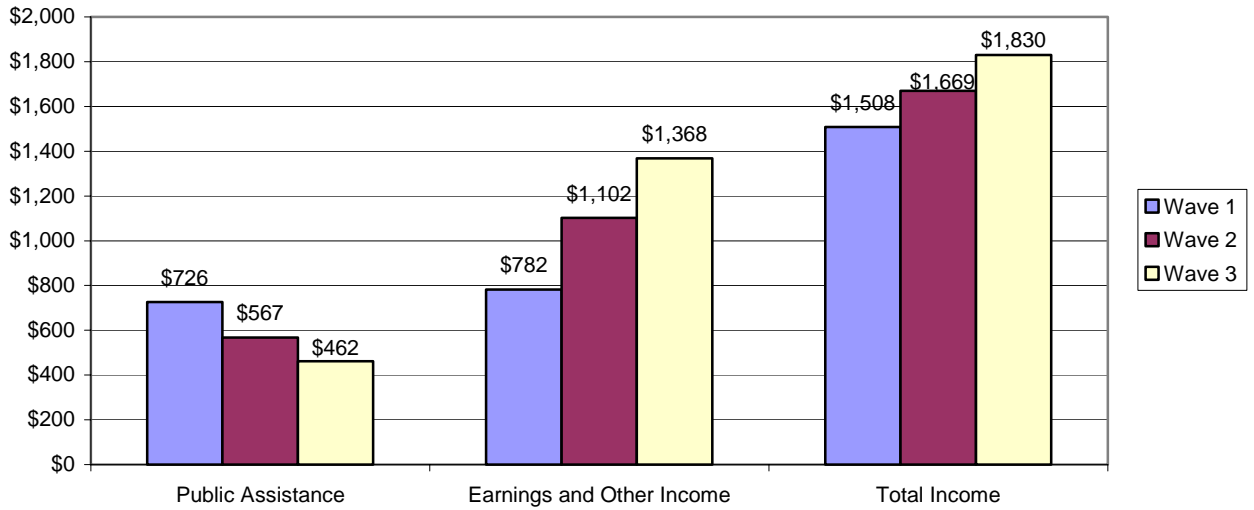
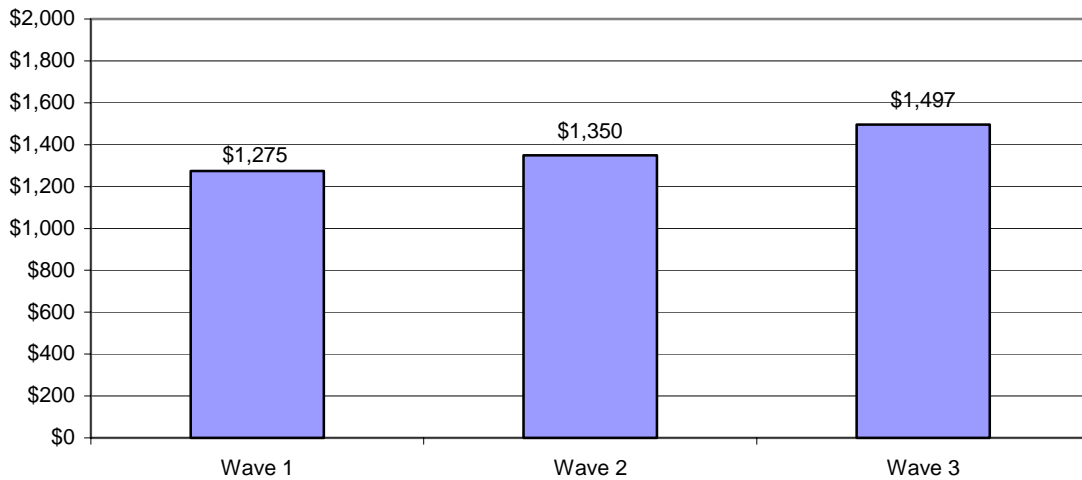


Figure 4-2
Median Total Household Income, Excluding Housing Subsidies (N=396)



Since there is some evidence that the SSI/SSDI contribution to the public assistance income increases over time, we also calculated average monthly income with and without that income element (see Table 4-6). At Wave 1, when the interview instrument did not

ask directly about SSI/SSDI income, the SSI/SSDI contribution constituted 6.0 percent of monthly household public assistance income and 2.9 percent of total household income (see shaded rows). At Wave 2, when the interview specifically asked about income from SSI/SSDI, it was found to constitute 18.0 percent of monthly household public assistance and 6.1 percent of household income. At Wave 3, SSI/SSDI comprised 23.6 percent of monthly household public assistance and 5.9 percent of household income overall.

Table 4-6
Public Assistance and Other Contributions to Monthly Household Income,
with and without SSI/SSDI, Wave 1 to Wave 3

Average Monthly Income	Wave 1	Wave 2	Wave 3
Public Assistance other than Housing and SSI/SSDI	\$683	\$465	\$353
Percentage of households with SSI/SSDI	7.8%	18.9%	18.7%
SSI/SSDI contribution to Public Assistance	\$43	\$102	\$109
SSI/SSDI contribution as percent of total Public Assistance	6.0%	18.0%	23.6%
Total Public Assistance	\$726	\$567	\$462
Total Income other than Housing and SSI/SSDI	\$1,464	\$1,567	\$1,721
SSI/SSDI contribution to Total Income	\$43	\$102	\$109
SSI/SSDI contribution as percent of Total Income	2.9%	6.1%	5.9%
Total Income	\$1,508	\$1,669	\$1,830

Welfare, Work, and Income

A central question in the evaluation of the effectiveness of welfare reform in moving families from welfare to work and self-sufficiency is whether work pays better than welfare. In this section we comment on the extent to which work “makes a difference” in the economic lives of current and former welfare recipients.

Figure 4-3 displays the average total monthly household income of respondents in each of six welfare/work statuses – on/off welfare and not working/working 1 to 31 hours / working 32 or more hours a week – at Waves 2 and 3. Figure 4-4 shows the percentage of respondents in each of the six groups. Examining monthly household income for these six groups, we find that the average total monthly household income of the first group, those on welfare and not working, remained essentially stagnant, declining slightly from \$1,290 to \$1,272 monthly (see Figure 4-3). The average total monthly income of the last group, those off welfare and working 32+ hours weekly, increased 14.8 percent, rising from \$2,159 to \$2,479.

Respondents off welfare and not working and on welfare and working 32+ hours saw essentially no change in income. However, although small in number, the group presenting most concern in this figure is that comprised of respondents who are off welfare and working less than 32 hours. As a group, their income has dropped 32.0 percent, from \$2,382 to \$1,619 monthly.

Figure 4-3
Average Total Monthly Household Income, by Welfare/Work Status and Wave (N=396)

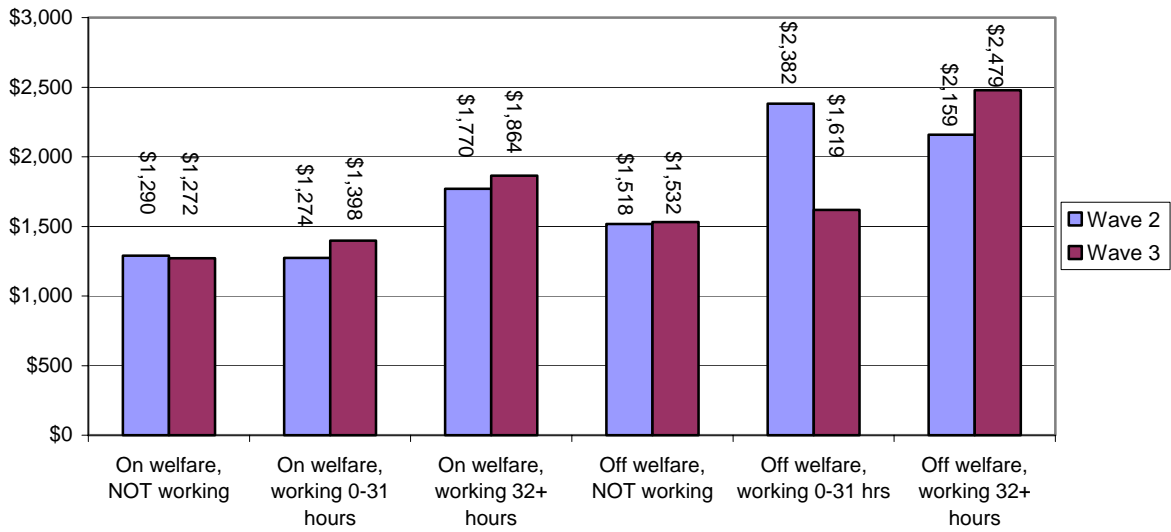
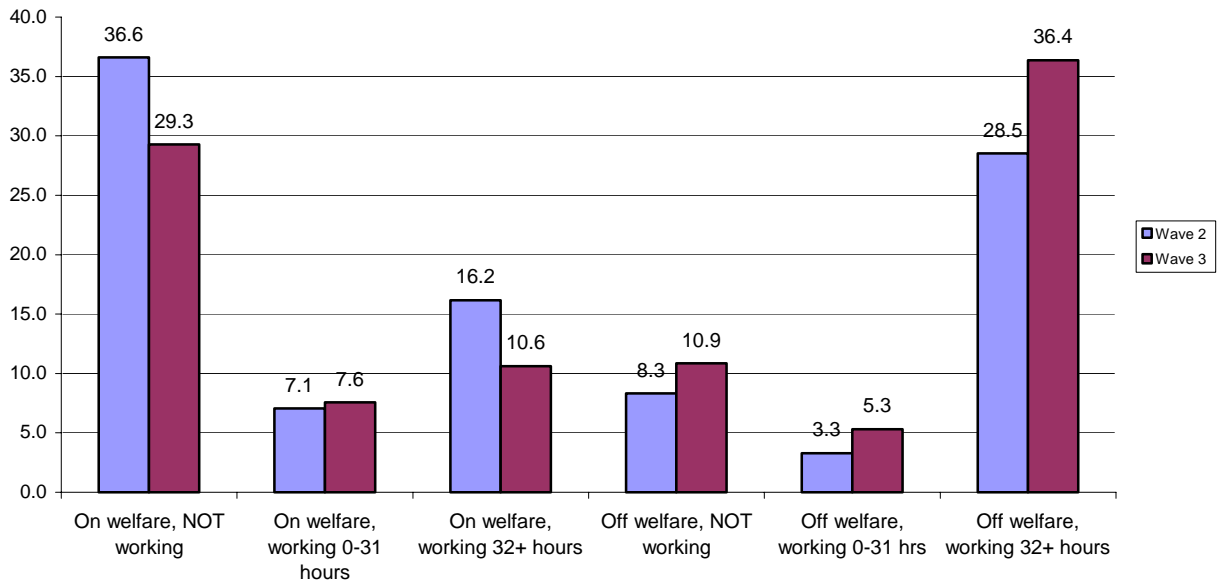


Figure 4-4
Percentage in Different Welfare/Work Statuses, by Wave (N=396)



Income and Poverty

Do the household incomes reported by CalWORKs Study participants bring the average welfare household out of poverty, and how have those findings changed across study waves? To address these questions, we looked at how the total income of each respondent household compares to the federal poverty income level established for a household of the same size at each wave. We used the 1999 poverty income guidelines for the Baseline data, since most Baseline interviews occurred in 1999, and we used the year 2000 guidelines for the Wave 2 data and year 2001 guidelines for Wave 3 data (US Department of Health and Human Services, 2001). The value of housing subsidies was kept out so that Baseline, Wave 2, and Wave 3 results would be comparable.⁵ We then determined where each respondent household's total income fell with respect to five categorizations of income level: 50 percent or less of the poverty income level established for that size household, 51 percent to 75 percent of the poverty income level for that household size, 76 percent to 100 percent, 101 percent to 150 percent, and over 150 percent. For example, for a household of three, a monthly income of \$1157 in 1999 would place that household in poverty (100% of poverty), a monthly income of half that would place the household at the 50 percent level, a monthly income of 1.5 times that would place the household at the 150 percent benchmark, and so on.

Figure 4-5 summarizes the Welfare Reform story for Alameda County in terms of poverty for respondent households: a steady decline in poverty among study participants, from 60.6 percent at Baseline, to 53.8 percent at Wave 2, to 47.2 percent at Wave 3. Had we included the value of housing subsidies in calculating income, the prevalence of Wave 3 poverty would have declined further, to 33.3 percent. Since our income figures include the value of certain forms of non-cash aid such as Food Stamps, WIC vouchers, and transportation assistance, our computations produce somewhat more optimistic pictures compared to calculations based on official poverty statistics.

⁵ We note but do not address here the debate as to whether federal poverty guidelines satisfactorily address the problem of the extreme cost of living in Alameda County.

Figure 4-6 gives the percentage of respondents at each of the five levels of income with respect to the federal poverty guidelines at each wave of interviews. While the percentage living at 150 percent poverty or better over the course of the study increased from 14.4 percent to 27.3 percent, and the percentage living at 51 percent to 100 percent of poverty decreased substantially, the percentage living at 50 percent poverty or less increased from 6.3 percent to 11.6 percent at a rate comparable to the increase at the top level.

Figure 4-5
Percentage of Alameda County Respondent Households Living in Poverty,
Excluding Value of Housing Subsidies (N=396)

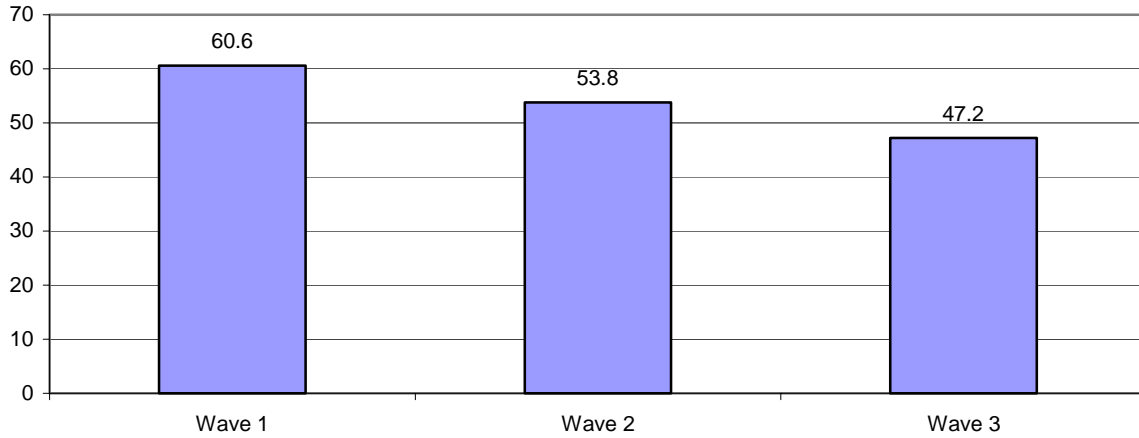
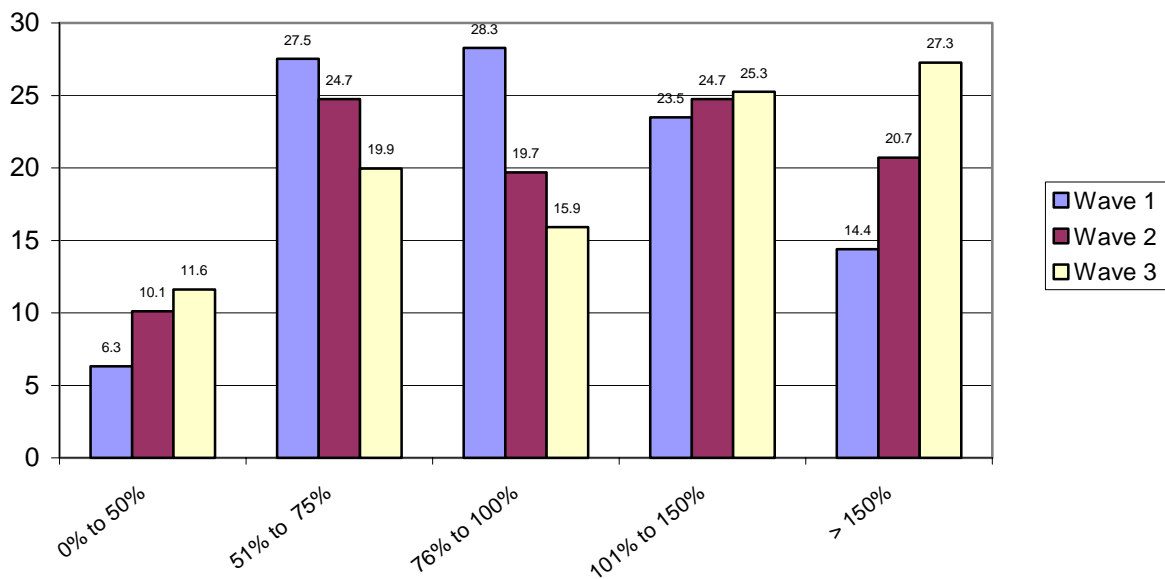


Figure 4-6
Percentage of Alameda County Respondent Households Living at
Different Levels of Poverty, Excluding Value of Housing Subsidies
(N=396)



Summary

- During the 27-month follow-up period, the percentage of households receiving income from any public source other than a housing subsidy declined from 94.2 percent at Wave 1 to 77.3 percent at Wave 2 and 65.4 percent at Wave 3 (Table 4-1).
- In addition to declining prevalence of receipt of CalWORKs cash assistance across interview waves, respondent households also moved away from receipt of Food Stamps and WIC vouchers (Table 4-1). While receipt of transportation vouchers increased from Baseline to Wave 2, at Wave 3 the prevalence of households receiving transportation vouchers declined to below the Baseline level (Table 4-1).
- No corresponding change toward greater reliance on the County's General Assistance program was evident (Table 4-1).
- A noteworthy shift to SSI/SSDI benefits took place over the 15-month interval between Baseline and Wave 2. By Wave 2 more than twice the number of study participants were in households receiving those disability benefits, and the number remained essentially constant at Wave 3 (Table 4-1). The increase in percentage of households receiving SSI/SSDI may be attributed to changes in household composition or to underreporting at Baseline, when, unlike subsequent questionnaires, the interview did not explicitly ask about receipt of SSI/SSDI but captured mentions in an "other" category of public assistance.
- Since these are reports on household receipt of benefits and income, it should be noted, we cannot tell whether the respondent her/himself was eligible for benefits. Hence, change in prevalence may be because respondent's status changed, the status of another member of the household changed, or the composition of the respondent's household changed.

- *For the sample as a whole*, the dollar value of public assistance declined over time, from a monthly average of \$726 at Wave 1 to \$462 at Wave 3. *For those households receiving any form of public assistance*, the dollar amount received declined from a monthly average of \$771 at Wave 1 to \$706 at Wave 3 (Table 4-2).
- Disregarding the value of housing subsidies, at Baseline the monthly average value of public assistance, among households that received any public assistance, was \$198 per household member. At Wave 3, the per capita value of public assistance declined 21 percent to \$156 (data not presented tabularly).
- The largest share of “earned” income was from regular employment (Table 4-3). Slightly over half of respondent households had employment income from work at a regular job or business at Baseline, with a sample average of \$563 in the last 30 days (Table 4-4). An additional 18 percent of respondent households (or a total of 71.0%) had such regular employment income at Wave 3, with a sample monthly average of \$1,165, a notable increase. Among only households reporting work at a regular job, monthly average income increased 52 percent, from \$1,144 to \$1,735. Again, it must be noted that income changes may be attributed to change in the respondent’s employment income, change in employment income among other household members, and/or change in composition of the household.
- Across the three interview waves, from 8.1 to 13.4 percent of respondents also mentioned income from unreported work, but this income never averaged more than the \$26 sum reported at Wave 3 (Tables 4-3, 4-4).
- Other sources of income were many, and for those individuals receiving the particular form of income the dollar amount may have been relatively large. Overall, however, examined across the entire study group, dollars received were relatively few. The highest amount of other income at Wave 3, received by 18%

of respondents, was a monthly average of \$43 in child support for all study participants (Tables 4-3, 4-4). Additionally, seven percent of Wave 3 households reported receipt of retirement or pension income, providing an average of \$40 monthly across the entire study group. Just under one in ten respondents described income from loans or gifts, amounting to a sample average of \$20 at Wave 3. Each of the other forms of income was received by fewer than five percent of respondents and accounted for less than \$20 in monthly income for the sample as a whole.

- In total, 83.3 percent of Wave 3 respondents reported household income from earnings or other non-public sources, an increase of about five percentage points from Baseline or Wave 2 (Table 4-3). Total income value for those receiving such income amounted to \$1,642, an increase of 17 percent from Wave 2 and a total increase of 62 percent from Baseline (Table 4-4). As we have already noted, these increases may be due to changes in household composition, including increased household size and/or changes in the respondent's or other household members' employment income, since Baseline.
- Total monthly household income from public and non-public sources, except for the value of housing subsidies, rose, from \$1,508 at Wave 1 to \$1,830 by Wave 3, a net increase of 21 percent (Table 4-5, Figure 4-1). The median income increased 17 percent, from \$1,275 at Baseline to \$1,497 at Wave 3 (Figure 4-2).
- The total monthly household income of respondents off welfare and working 32 or more hours a week rose 15 percent from an average of \$2,159 at Wave 2 to \$2,479 at Wave 3 (Figure 4-3). These figures exceed the total monthly household incomes of families on welfare at Wave 2 and 3, regardless of work status. This increase in income was accompanied by an increase in the prevalence of respondent households in this welfare/work status, from 28.5 percent at Wave 2 to 36.4 percent at Wave 3 (Figure 4-4). These results support the premise that work “makes a difference” in the economic lives of former welfare recipients.

- While more respondents have transitioned off welfare, are working 32 or more hours per week, and are experiencing higher monthly incomes on average than at previous waves, a disheartening proportion of respondents at Wave 3 are either no better off or even worse off economically than before. At Wave 3 we saw an increase in the prevalence of respondents off welfare and working part-time to 5.3 percent, from a Wave 2 prevalence of 3.3 percent (Figure 4-4). At the same time, the total average monthly income for this group dropped a substantial 32 percent, from \$2,382 to \$1,619 (Figure 4-3).
- The proportion of respondent households below the poverty line declined from 60.6 percent at Baseline, to 53.8 percent at Wave 2 and 47.2 percent at Wave 3 (Figure 4-5). These estimates do not account for the possible value of housing subsidies, but, by including the value of certain non-cash aid, our computations produce somewhat more optimistic pictures compared to calculations based on official poverty statistics.
- While the percentage of respondents living at 150% of the poverty line or better increased from 14.4 percent to 27.3 percent over the course of the study, and the percentage living at 51 percent to 100 percent of poverty decreased substantially, the percentage living at 50% poverty or less increased at a comparable rate, from 6.3 percent to 11.6 percent (Figure 4-6). These figures do not take into account the high cost of living in Alameda County.

References

U.S. Department of Health and Human Services (2001). *2001 Poverty Income Guidelines by Family Size*. Published in the Federal Register, February 16, 2001; updated April 2, 2001. Available at <http://aspe.os.dhhs.gov/poverty/poverty.htm>.

5. TYPES OF SERVICES USED BY WELFARE RECIPIENTS AND ASSOCIATION OF USAGE WITH WORK-RELATED OUTCOMES

Introduction

Federal and State welfare laws attempt to promote working by funding welfare recipients' access to a range of services designed to minimize or eliminate the impact of barriers to employment. The CalWORKs program provides access to a child care subsidy program and vouchers for transportation as well as facilitates access to Medi-Cal, the health insurance program that covers prenatal care and a broad array of preventive and non-preventive health care services for low-income families. The Alameda County CalWORKs program also promotes the utilization of services designed to address substance abuse, mental health, and domestic violence problems and encourages the use of a health care program for children. Finally, the County's CalWORKs program can provide help with one-time expenses, such as automotive repair, to reduce a particular impediment to taking a job or continuing with work.

The dollar value of these programs to welfare recipients varies greatly, from relatively substantial but infrequent one-time financial supports (for example several hundred dollars to help with car repairs) to the regular but modest value of transportation vouchers which cover public transit costs for travel to and from work. The County also designed and invested in a costly outreach program to identify welfare recipients with substance abuse and mental health problems and refer them to appropriate services. The provision of behavioral health care services, which can be underwritten by the CalWORKs program, and health care provided under the Medi-Cal insurance program, provide less visible but substantial financial savings to CalWORKs participants. However, it is the child care subsidies, computed as a function of the number of children on the case who require and are eligible for services, which often dwarfs the value of the CalWORKs cash assistance itself and may continue for many months even after families have left the welfare rolls.

From a program and policy perspective, however, it remains to be understood whether these programs to address barriers are having their intended effect of promoting welfare

recipients' movement into the work force. While the *dollars* invested in a particular program may be well understood, descriptive information about *users* and *utilization* of these services is often unknown or scanty.¹ Heretofore little description of the relationship between services utilization and employment has existed.

A full exploration of the welfare client - services - employment relationship would begin with objective data on health- and non-health-related barriers. To these data would be added information on client recognition of or agreement with such barrier assessments: does the welfare client recognize a need for services? How substantial is her or his interest in receiving services or other help, and, whether perceived or actual, what personal, familial, community, or economic obstacles challenge that interest? Additional information would provide data on client knowledge about availability of services, financial, transportation and other impediments to acquisition of services, actual receipt of services, and evaluation of those services. To complete the relevant data set one would add measures of demographic and other controls as well as employment and income outcomes.

This study was not designed to establish such a comprehensive data set. Rather, we wished to provide a descriptive overview of the complicated problem and, relying on statistical relationships, gain a first approximation of the association among perceived need for help, utilization of services, and employment. In this section of the report we utilize two sets of questions to describe need for and utilization of services. We then present findings on the association of services with work.

Finally, in this section, we take a first look at a hypothesized negative effect of welfare reform: an increase in child welfare problems.

CalWORKs Transportation and Child Care Supports

Table 5-1 and Figure 5-1 display findings from questions concerning the source of financial support for transportation and child care services. The tabular and graphical

¹ Among other explanations for the data vacuum, concerns about privacy and confidentiality have resulted in data systems in the Healthcare Services Agency that don't "talk" to those in Social Services, and neither system has comprehensive data on employment or income.

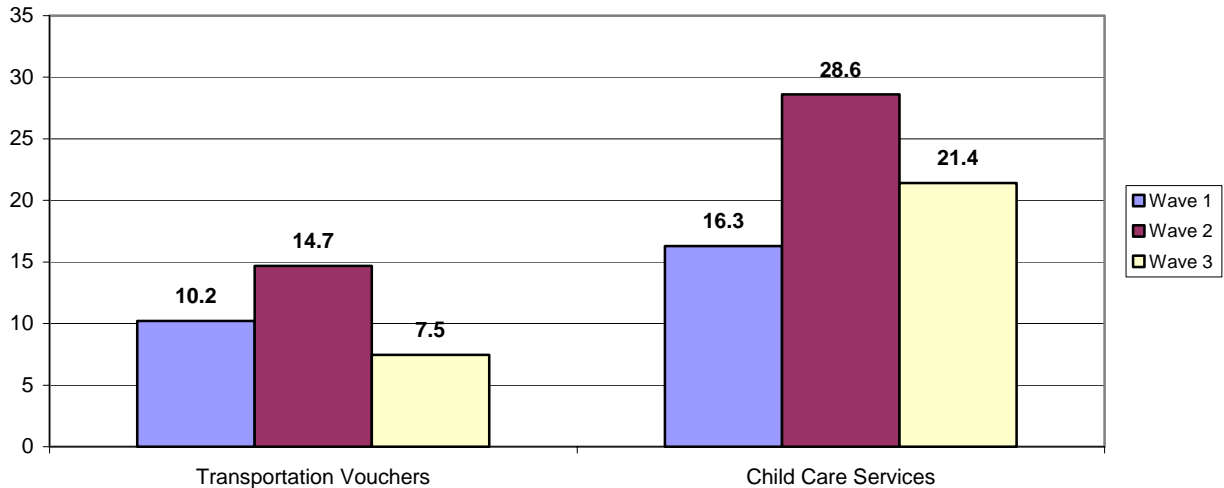
presentations reference payments from the County’s Social Service Agency. Both County child care and transportation payments peaked at Wave 2 and then declined, in the case of transportation, below the Baseline level. For child care at Wave 3, CalWORKs-supported benefits dropped to a prevalence closer to the Baseline than to the Wave 2 level. These findings are surprising in light of the fact that the prevalence of employment did not drop at Wave 3 but instead remained essentially level with the Wave 2 prevalence.

Table 5-1
Percentage of Respondents Utilizing CalWORKs Transportation (N=402)
and Child Care Services (N=variable[†]), by Wave

CalWORKs Service	Wave 1		Wave 2		Wave 3	
	%	N	%	N	%	N
Transportation Voucher	10.2	41	14.7	59	7.5	30
Child Care Subsidy	16.3	58	28.6	96	21.4	69

[†]For Child Care Subsidy, total number of study respondents of interest was calculated as the number of respondents living with their own minor children aged 12 or younger. At Wave 1 total N = 355; at Wave 2 total N = 336, and at Wave 3 total N = 322.

Figure 5-1
Percentage of Respondents Receiving CalWORKs Transportation (N=402)
and Child Care (N=variable[†]) Services, by Wave



[†]For Child Care Services, total number of study respondents of interest was calculated as the number of respondents living with their own minor children aged 12 or younger. At Wave 1 total N = 355; at Wave 2 total N = 336, and at Wave 3 total N = 322.

Table 5-2 displays the Wave 2 and Wave 3 associations between receipt of CalWORKs transportation and child care services and full-time work. Looking at child care we find, at Wave 2, that 60.4 percent of respondents *with* child care services were working 32 or more hours weekly, compared with the 37.5 percent of respondents *without* the benefits who worked at that level. At Wave 3 the prevalence of work was higher for both groups, but while the percentage of those with the child care service who were working increased by 15 percentage points, a one-quarter (24.8 percent) jump from Wave 2 levels, the prevalence of work for those without child care services increased only 1 percentage point, or 3.2 percent, from Wave 2. While the association of child care services with work was very significant, prevalence of full-time work was insignificant and virtually indistinguishable for those *with* versus *without* transportation services.

It is important to note that it is not possible to ascertain from these findings whether lack of CalWORKs-subsidized child care actually hindered employment. Unemployed welfare clients and those working less than full-time may be prevented from procuring

full-time work for a myriad of reasons unrelated to child care availability. That said, the highly significant association between subsidized child care and full-time work makes intuitive sense, irrespective of whether acquisition of child care promotes employment or whether employment necessitates use of child care services.

We have no data on why relatively few respondents made use of the transportation vouchers and child care subsidies. However, our finding of a falling utilization of transportation vouchers (Table 5-1), a strong negative relationship between working and lack of a car and/or driver's license (Table 3-5 and Table 3-7), and no relationship between receipt of transportation voucher and full-time work (Table 5-2) suggests that, despite their economic value, transportation vouchers may not address a primary dilemma of working parents – time. Financial support for use of public transportation may simply fail to overcome the challenge of fitting into one's day the time-consuming transportation process of getting children to and from child care or school as well as getting oneself to and from work.

Especially in light of the significant finding concerning the association of child care subsidies and working (Table 5-2), additional research remains to be undertaken to understand the low utilization of child care subsidies (Table 5-1). However, it may be that, as with the offer of transportation vouchers, the financial benefits available from CalWORKs-funded child care fail to address welfare recipients' concerns that child care be safe, reliable, convenient, and promote employment. Publicly-supported child care may be unable to sustain an image that it is safe, that staff members are well-trained and capable, and that it can handle the regular threats to continued employment posed by sick children. Furthermore, if desired child care is not well-located, its deficit gains in prominence as the welfare recipient must confront the burden of additional travel time, a topic just discussed. The likelihood of these possible interpretations is reinforced, though not proven, as seen above in Section 3, by the significant finding of the negative association between working and lack of regular family help with child care.

Table 5-2
Association of Receipt of CalWORKs-subsidized Transportation and
Child Care Services with Work Status at Wave 2 and Wave 3

CalWORKs Service	Wave 2 (N=449) Percent Working 32+ hours/week			Wave 3 (N=430) Percent Working 32+ hours/week		
	With service	Without service	P	With service	Without service	P
Transportation Voucher	40.3	42.1	NS	47.1	46.7	NS
Child Care Subsidy	60.4	37.5	****	75.4	38.7	****

**** p < .0001; NS = not statistically significant

Need and Receipt of Other Supportive Services

At each wave, respondents were also asked, unconnected to CalWORKs or employment participation, whether they needed any of 18 particular “community services for low-income families” or other kinds of supports in the past 12 months, including health-related services, help finding employment, financial and legal help, help with child care, transportation arrangements, or housing, and help with getting free or inexpensive clothing, food, or household goods. If the respondent said she or he needed the service, she or he was asked whether it was received. The items relevant to this section are (1) assistance with physical health problems, (2) prenatal care, (3) help with emotional or mental health problems, (3) help with alcohol or drug problems, (4) help with physical violence in the home, (5) child care (sitters) for respondent’s children, and (6) help arranging transportation. The latter two items were only asked of Baseline and Wave 2 participants.

Figure 5-2 displays findings across interview waves of the need for such services. Though often in precisely the same topical areas, these self-expressions of need for help are quite distinct from the project’s assessment of potential barriers to work, presented earlier (see Tables 2-1 to 2-3). Report #4 explores this relationship in greater depth, finding, at Wave 2, for example, that 40.6 percent of those we determined as having a potential physical health barrier reported a need for related services (see Table 5-2 and

surrounding text in Report #4). That figure increased to 78.1 percent of those we categorized as having a potential mental health barrier who reported a need for services but dropped to 25.8 percent reporting a need for services among those we concluded had a potential alcohol dependence barrier.

The results in Figure 5-2 of this report show that, not taking into account our assessment of potential barriers, the “needs help” responses are very low for substance abuse and physical violence (5 percent or less at each wave), moderate for prenatal and mental health care (between 6.5 percent and 17.9 percent), and substantial for physical health, child care and transportation (between 17.9 percent and 50.7 percent).

Among respondents reporting a need for help, receipt of help was generally high, ranging from 43.1 percent for those who, at Wave 1, reported a need for help with transportation, to 97.8 percent, at Wave 1, for those needing help with prenatal care (Figure 5-3). Help for respondents with prenatal health needs is consistently high. The decline in percentage of respondents receiving help with a physical health problem is worrisome, but the increase in help for those with mental health concerns is heartening. While it appears that the percentage of respondents receiving help with an alcohol or drug problem or with a physical violence problem fell from Wave 1 to Wave 3 – despite the County’s substantial investment in an outreach program – such a conclusion would be ill-advised, given the small numbers involved. Between Waves 1 and 2, noteworthy increases were evident in percentages of respondents with child care and transportation needs getting their needs met.

Table 5-3 presents results from an examination of the association of receipt of needed services with full-time work at Waves 2 and 3. Among respondents who indicated a need for each of seven types of services, only help with child care problems proved to have a significant relationship with work. Among those saying they needed child care services, 54.7 percent of those receiving child care services were working 32 or more hours per week at Wave 2, while only 32.4 percent of those not receiving child care worked at that level. (Respondents were not questioned about the need and subsequent receipt of child

care or transportation services at Wave 3 in this section of the questionnaire.) The lack of statistically significant relationship in these bivariate analyses between receipt of services and work status for all but the child care variable, which was only available at Wave 2, made the examination of these relationships in multivariate analyses unnecessary.

Figure 5-2
Percentage of Respondents Reporting Need for Different Kinds
of Help, by Wave (N=402)

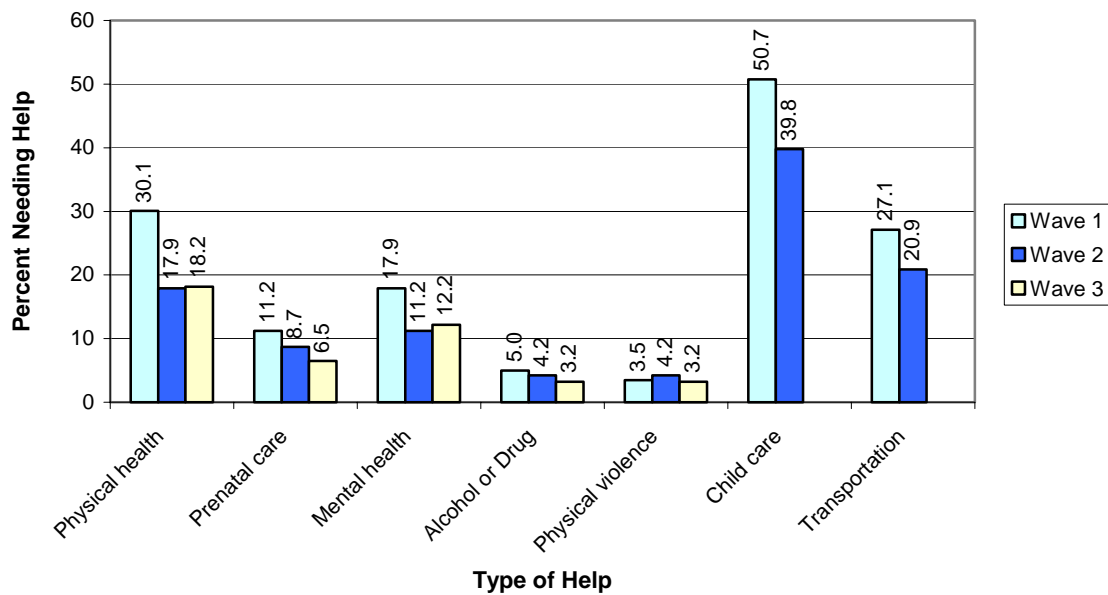


Figure 5-3
Percentage of Respondents Receiving Different Kinds of Needed Help,
by Wave (N=402)

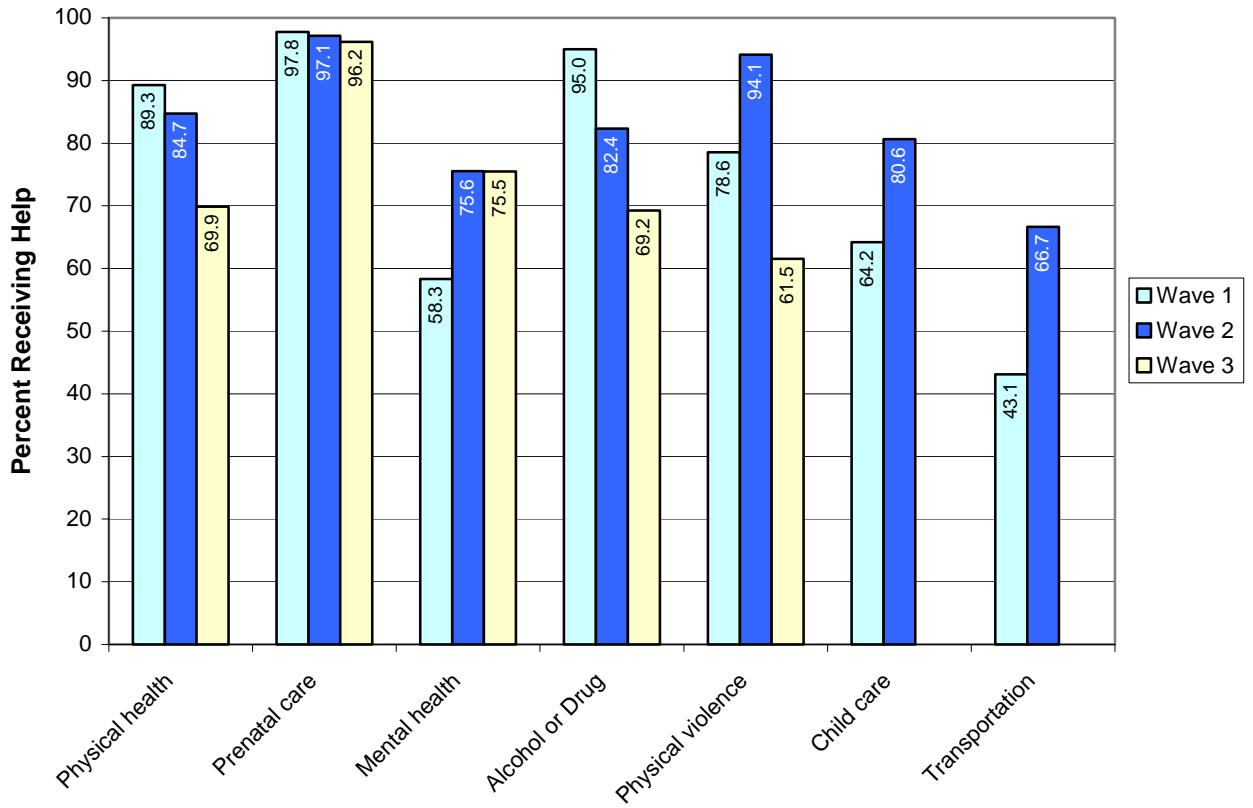


Table 5-3
Association of Receipt of Needed Services with Work Status
at Wave 2 and Wave 3

Type of Service	Wave 2 (N=449) Percent Working 32+ hours/week			Wave 3 (N=430) Percent Working 32+ hours/week		
	Service received	Service not received	p	Service received	Service not received	p
Physical Health	27.3	27.3	NS	28.6	48.0	*
Prenatal Care	28.6	0.0	NS	40.0	0.0	NS
Emotional/Mental Health	37.1	18.2	NS	38.5	38.5	NS
Alcohol or Drug	20.0	50.0	NS	30.0	50.0	NS
Physical Violence	25.0	0.0	NS	25.0	20.0	NS
Transportation	31.3	31.0	NS	--	--	
Child Care	54.7	32.4	**	--	--	

NS = not statistically significant * p < .10 ** p < .05

Child Welfare System Involvement

One hypothesized negative effect of welfare reform was an increase in child welfare problems as parents departed welfare for potentially less remunerative employment or were sanctioned off of CalWORKs without a replacement income. It might also have been the case that parents taking on employment or other responsibilities which they were not equipped to handle would have had a negative impact on their ability to provide care for their children.

At each interview we asked respondents whether they had had contact with Child Protective Services (CPS) in the past 12 months. Table 5-4 demonstrates a slight dip in CPS involvement at Wave 2, with a slight increase at Wave 3. These fluctuations do not suggest any particular outcome. However, since the time lag between baseline and Wave 3 is relatively short, and time limits had not yet fully affected this welfare sample, it may be premature to draw conclusions.

Table 5-4
Percentage of Respondents Having Contact with Child Protective Services
over Past 12 Months, Wave 1 to Wave 3 (N = 402)

	Wave 1		Wave 2		Wave 3	
	%	N	%	N	%	N
Any Child	6.5	26	5.7	23	7.5	30
Focal Child Only	5.2	21	3.7	15	4.5	18

Summary

- Study participants' assessments of their need for services were very low for substance abuse and physical violence (5 percent or less at each wave), moderate for prenatal and mental health care (between 6.5 percent and 17.9 percent), and substantial for physical health, child care and transportation (between 17.9 percent and 50.7 percent) (Figure 5-2).
- Among respondents reporting a need for help, receipt of help was generally high, but change was evident across interview waves (Figure 5-3). Help for respondents with prenatal health needs was consistently high. There was a decline in the percentage of respondents receiving help for a physical health problem with which they reported needing help, dropping from 89.3 percent at Wave 1 to 69.9 percent at Wave 3. Help for those with mental health concerns increased from 58.3 percent at Wave 1 to 75.5 percent at Wave 3. The percentage of respondents receiving help with an alcohol or drug problem or with a physical violence problem fell from Wave 1 to Wave 3, but in light of the small numbers involved it is difficult to conclude that any real program or policy change took place. Between Waves 1 and 2, noteworthy increases were evident in the percentage of respondents with child care and transportation needs getting their needs met. The percentage of respondents with child care problems who reported getting needed help increased from 64.2 percent at Wave 1 to 80.6 percent at Wave 2. For respondents with transportation problems, the prevalence of receipt of needed help jumped from 43.1 percent at Wave 1 to 66.7 percent at Wave 2.
- Looking specifically at benefits provided through the CalWORKs program, the uptake of child care and transportation payments was fairly low at all three interview waves, reaching a peak at Wave 2 of 24 percent for child care and 15 percent for transportation, and declining thereafter, to 17 percent and 8 percent, respectively (Table 5-1, Figure 5-1). Subsequent declines in uptake of these

logistic supports are undoubtedly linked to the documented declining participation in the CalWORKs program by Wave 3.

- Receipt of child care benefits was significantly positively associated with working full-time (Table 5-2).
- Prevalence of full-time work was insignificant and virtually indistinguishable for those with versus without transportation services (Table 5-2).
- Among the seven types of needed help received, at both Wave 2 and Wave 3, only help with child care problems proved to have a significant – and positive – relationship with work (Table 5-3).
- Despite their economic value to CalWORKs participants, transportation vouchers do not appear to address a severe barrier to employment. We suggest that financial support for use of public transportation fails to overcome the challenge of fitting into one's day the time-consuming transportation process of getting children to and from child care or school as well as getting oneself to and from work.
- Although significantly associated with full-time work, child care subsidies are not highly utilized. We suggest that the financial benefits available from CalWORKs-funded child care fail to address welfare recipients' concerns that child care be safe and reliable while promoting employment through accessibility of the child care.
- As of Wave 3 there is no substantial evidence of increased involvement of study participants or their children with Child Protective Services (Table 5-4).

6. STABILITY OF HEALTH INSURANCE COVERAGE OVER TIME FOR RECIPIENTS AND THEIR CHILDREN, AND ASSOCIATION WITH WORK-RELATED AND WELFARE-RELATED OUTCOMES

Prevalence of Health Insurance

One concern expressed about the implementation of welfare reform focused on possible deleterious effects if families were to lose publicly provided health insurance coverage coincidental to departures from welfare. Accordingly, we posed the question of how health insurance coverage for respondents and for their children changes over time. Our findings suggest that some slippage in health insurance coverage accompanied departures from welfare.

During the study period, respondent and/or child(ren)'s receipt of CalWORKs benefits fell from 89.3 to 47.0 percent, a 47.4 percent drop-off in receipt of cash assistance benefits (see Table 3-1 in Section 3). During the same period, respondent health insurance coverage decreased from 95.8 to 85.6 percent, a 10.6 percent decline (see Figure 6-1). As expressed in Figure 6-2, the percentage of respondents whose children had health insurance at Waves 2 and 3 was essentially identical to that of their respondent parent, and also showed a decline over time.

Figure 6-3 shows the shift in type of insurance coverage, with the prevalence of Medi-Cal/Medicaid coverage dropping from 93.0 to 68.9 percent between Wave 1 and Wave 3. There was noticeable growth in the prevalence of insurance provided through past or current employer, increasing from 3.7 percent at Wave 1 to 15.9 percent at Wave 3. Nevertheless, it is evident that other sources of insurance did not compensate for the loss of Medi-Cal/Medicaid insurance. By Wave 3, 14.4 percent of respondents reported they had no health insurance.

Figure 6-1
Percentage of Respondents with Any Type of Health Insurance,
by Wave (N=402)

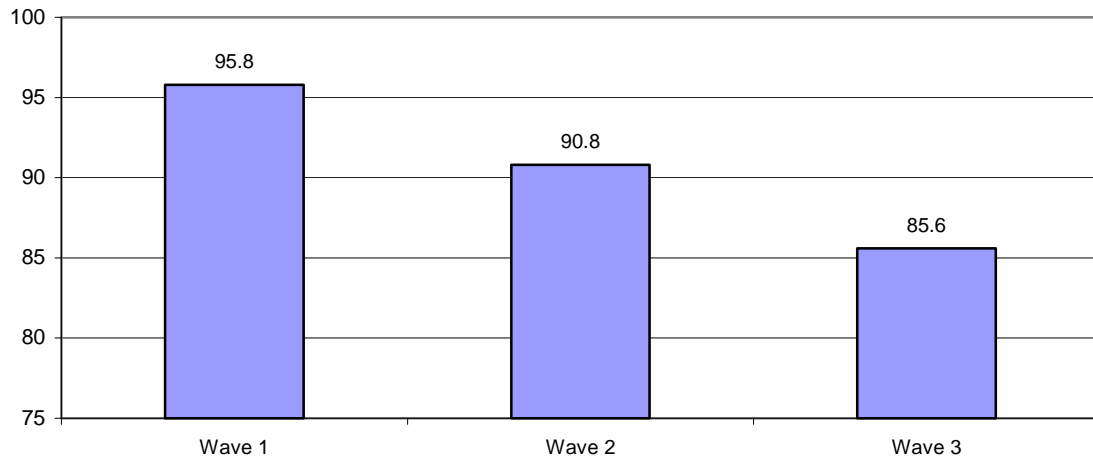


Figure 6-2
Percentage of Respondents Whose Children Have Any Type of
Health Insurance, Wave 2 and 3 Only (N=402)

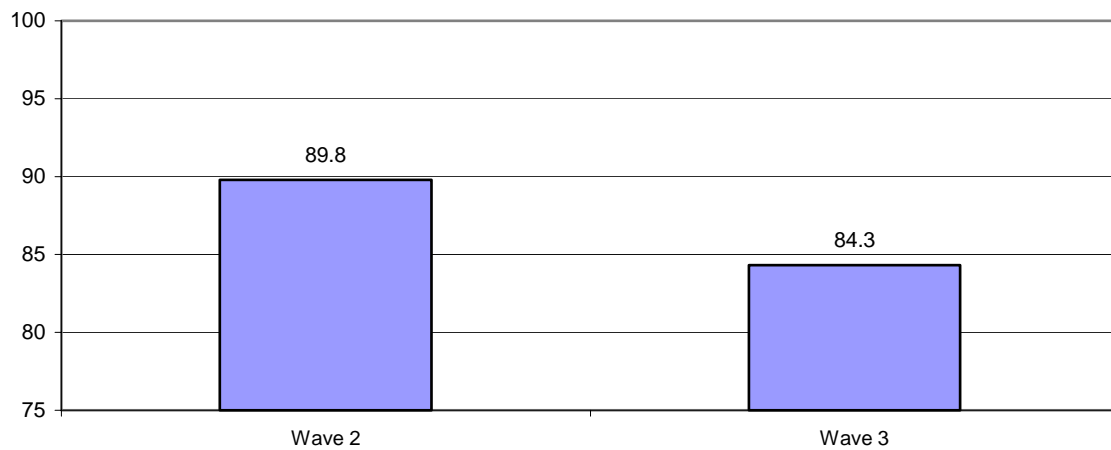
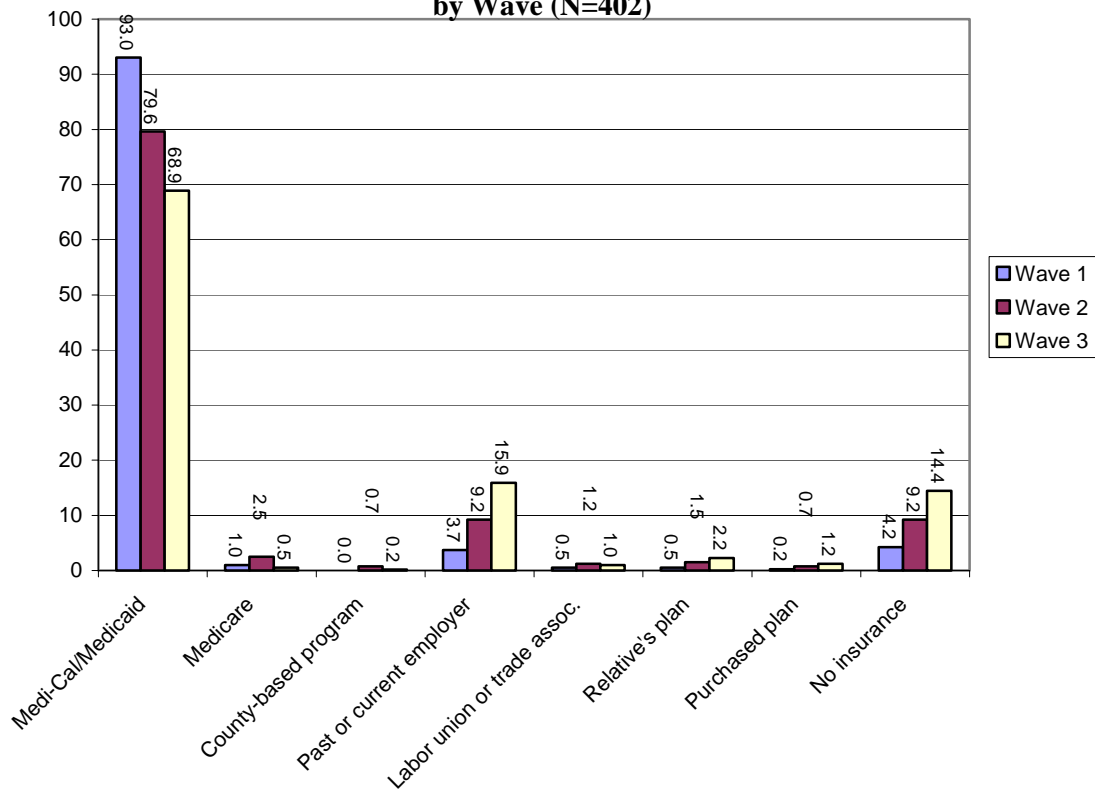


Figure 6-3
Percentage of Respondents with Different Types of Health Insurance,
by Wave (N=402)



Health Insurance Coverage as Related to Welfare/Work Status

Figure 6-4 shows the change in health insurance coverage over time and by each of six welfare/work statuses. Coverage is reported to be almost 100 percent for the three sub-groups receiving CalWORKs cash assistance, at both Wave 2 and Wave 3. Among the three sub-groups not receiving CalWORKs assistance, coverage is lower at Wave 3 than at Wave 2 and lowest for those respondents working fewer than the 32 hours target for CalWORKs. It is not surprising that greater coverage accompanies what we have termed “full-time work” of 32 or more hours weekly. However, the fact that respondents off welfare and not working were more likely to have health insurance than those off welfare but working fewer than 32 hours is surprising and suggests that perhaps their insurance derived from another member of the household.

Figure 6-5 repeats the categorical image provided by the previous figure but does so for only respondents receiving Medi-Cal. Not surprisingly, respondents off welfare were much less likely to receive Medi-Cal than respondents on welfare, at both Wave 2 and Wave 3. The figure also shows that while a fairly large proportion of respondents off welfare were still receiving Medi-Cal benefits (between 41.4 percent and 72.2 percent), this percentage is consistently lower at Wave 3. Comparing Figures 6-4 and 6-5, one sees that the group who were off welfare and working 32 or more hours weekly were the most likely to have their insurance needs covered by non-Medi-Cal sources.

Figure 6-4
Percentage of Respondents with Any Health Insurance at Wave 2 and 3,
by Welfare/Work Status (W2 N=449; W3 N=430)

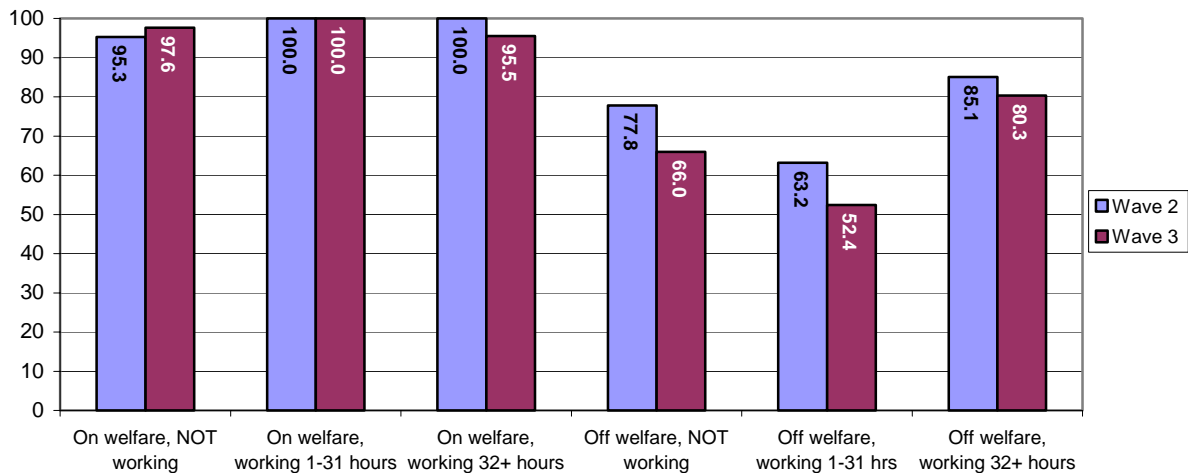
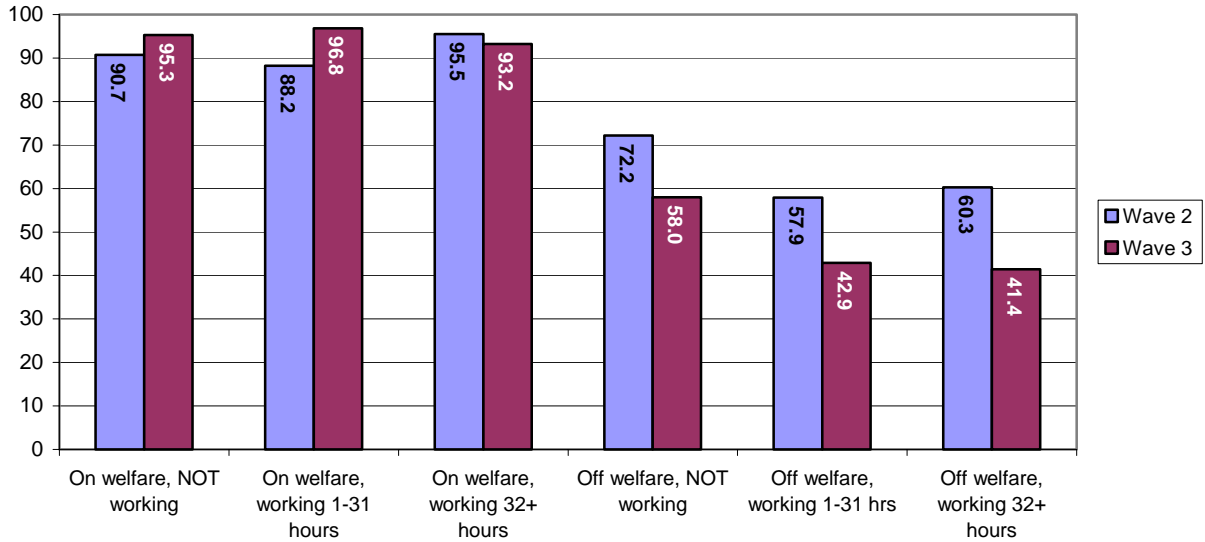


Figure 6-5
Percentage of Respondents with Medi-Cal at Wave 2 and Wave 3, by
Welfare/Work Status (W2 N=449; W3 N=430)



Summary

- Although not dramatic, some loss of health insurance coverage is evident over time, as more study participants depart welfare (Figures 6-1, 6-2, 6-4).
- By Wave 3, 14.4 percent of respondents reported they had no health insurance (Figure 6-3).
- Coverage is least prevalent among respondents off welfare and working fewer than 32 hours weekly (Figure 6-4).

7. CONCLUSIONS

Overview

In the course of the 27-month Alameda County CalWORKs Needs Assessment and Outcomes Study, full-time employment increased, receipt of cash welfare and other public assistance declined, and reports of health-related and non-health-related potential barriers to employment dropped. For most participants, household incomes rose. Receipt of community-based health-related services among those who said they needed them was generally high and showed some service-specific increases over the 27-month period.

These results, while positive, are balanced by evidence that movement along the path towards self-sufficiency is not only slow but also does not include all welfare recipients. Despite the fact that more respondents obtained employment over time, there was little change in employment rates between Wave 2 and Wave 3. The uptake of CalWORKs-sponsored child care and transportation benefits was consistently low. Yet, child care and transportation barriers were found to be associated with lack of full-time work in multivariate analyses. This suggests the need to re-evaluate the form and manner of delivery of these logistic supports for work within the CalWORKs system. Although incomes had increased over the study period, respondent households were still living well below estimates of the costs to make ends meet in the Bay Area. In addition, positive changes were not necessarily enduring, as respondents moved in and out of employment and different health and non-health barrier statuses. It is noteworthy that at Wave 3 respondents with the most barriers were almost twice as likely to be working full-time, compared to their Wave 2 counterparts. The motivation to work full-time – at least for the short term – may prove to be stronger than potential barriers to work, especially in the face of Federal and State time limits. However, one must wonder whether unresolved barriers will remain under workers' control for long and how workers' limitations will play out in terms of their continued employment and effects on their families.

Movement toward Self-Sufficiency

Over the course of the 27-month follow-up period, evidence of movement toward self-sufficiency was seen by a number of measures, including increases in the number of employed study participants, increases in incomes, and decreases in the number of individuals finding support from public assistance.

The prevalence of “full-time” employment, as defined by CalWORKs, nearly doubled over the course of the 15 months between Baseline and Wave 2, from 25.9 percent to 44.5 percent. This increase in employment rate is dramatic, considering program increases in the required minimum number of work hours changed from 26 hours per week at Baseline to 32 hours per week by the time of the Wave 2 interviews. These gains in employment, while maintained at the time of the Wave 3 interviews one year later, were hardly surpassed, when only an additional 2 percent, or 46.5 percent of the sample, were working 32 or more hours per week. The reasons behind this lack of increase appear to be, at least in part, related to labor market and job conditions for the types of jobs for which study recipients were eligible. Dishearteningly, nearly a third of those working full-time at Wave 2 were no longer doing so at Wave 3. The most common explanations given for not working full-time were the lack of availability of permanent full-time work, lay-offs, and firings. However, at the same time that some people lost their full-time jobs, others had gained jobs by Wave 3. We postulate from these findings that while many CalWORKs recipients are motivated and able to work full-time, the types of jobs for which they are eligible, based on individual work skills and capacities, may not afford many of them ample opportunity to obtain and/or maintain stable, permanent work positions. This would appear to be especially true, given the low rate of unemployment in Alameda County, which was 4.5 percent in 2001. Whether study participants newly employed at Wave 3 will also suffer subsequent job loss remains to be seen. At any rate, the lack of any notable increase in full-time employment at Wave 3 suggests the need to re-evaluate the feasibility of existing federal and state time limits on receipt of cash welfare benefits, as well as evaluate whether a focus on more and/or better job training is necessary to help CalWORKs recipients find jobs they can keep.

Movement toward self-sufficiency among this study cohort was also seen in evidence of less reliance on public assistance, by a number of measures. The percentage of respondent households receiving income from any public source dropped substantially, from 94.2 percent at Wave 1 to 77.3 percent at Wave 2 and 65.4 percent at Wave 3.¹ The receipt of CalWORKs cash assistance itself dropped by nearly half, from 89.3 percent at Baseline to 47.0 percent by Wave 3. Wave 3 respondents were also less likely to receive Food Stamps, WIC, and transportation vouchers. The average value of public assistance, excluding the value of housing subsidies, among households that received any public assistance, was \$198 per household member at Baseline. At Wave 3, the per capita value of public assistance declined 21 percent to \$156.

Importantly, the decline in receipt of different forms of public assistance over the course of the study was accompanied not only by an increase in the percentage of study participants bringing in full-time income, but also by an increase in average household earnings. While the percentage of respondent households with any earnings income or other non-public sources of income increased by only about five percentage points to 83.3 percent at Wave 3, from Baseline or Wave 2 levels, the average amount of such income increased substantially. Average earnings and other income increased 41 percent from \$782 at Baseline to \$1,102 at Wave 2, and another 24 percent to \$1,368 at Wave 3. The jump from Baseline to Wave 2 is no doubt due in large part to increases in the percentage of study participants working and the number of hours worked per week, the latter of which rose from a sample average of 12 hours per week at Baseline to 20 hours per week at Wave 2. However, only small changes in employment rate and average number of hours worked per week occurred between Wave 2 and Wave 3, the latter of which was at 23 hours per week at Wave 3. The 24 percent increase in average household earnings and non-public income is therefore likely due to better paying jobs at Wave 3 compared to Wave 2 and/or the contributions of other household members to household earnings income.

¹ This drop does not take into account the receipt of housing subsidies, which were not explicitly asked about until Wave 3.

While public assistance income fell for the sample as a whole, earnings and other income more than made up for the difference. In other words, sample averages of increases in earnings and other income between waves more than exceeded sample averages of decreases in public assistance income. In effect, this amounted to a 21 percent increase in total household income (public assistance and earnings combined) from the Baseline level of \$1,508 per month to a Wave 3 level of \$1,830 per month for the sample as a whole. Using the federal poverty guidelines, the percentage of respondent households living in poverty decreased from 61 percent at Baseline to 47 percent at Wave 3.²

The Other Side of the Coin

At face value, these are all positive results. If one simply defines self-sufficiency as greater reliance on employment income over public assistance income, then these results point to greater self-sufficiency among individuals and their families who were CalWORKs cash recipients in October 1998. But are the wages earned by study respondents who are working full-time really enough to support a family? What percentage of study respondents are still on CalWORKs and not working full-time? When these kinds of questions are asked, the picture these data paint is a much bleaker one than when only sample averages of self-sufficiency measures are interpreted at each wave.

In effect, the data show that most study respondents fall into two large sub-groups, which are essentially at opposite ends of the self-sufficiency spectrum. On the positive side, the largest sub-group at Wave 3, 36 percent of the sample, is made up of individuals working full-time and no longer collecting CalWORKs cash assistance. This group averages \$2,479 per month in total household income. On the negative side, the next largest sub-group of individuals at Wave 3, or 29 percent of the sample, consists of people who are still collecting CalWORKs cash assistance and are not earning any employment income. This group averages \$1,272 per month in total household income. In Report #4, which describes results from the second wave of data collection for this study (Dasinger, Miller, Norris, & Speiglmán, 2001), we considered the estimates provided by the California

² Again, this calculation excludes the value of housing subsidies, which were not measured until Wave 3.

Budget Project (1999) of the “real” cost of living in Alameda County, in order to better assess how study participants at Wave 2 were faring economically. The California Budget Project provides figures for a “basic family budget,” which are estimates of the monthly amount required to live “moderately well,” i.e., to cover basic living expenses (housing and utilities, food, health care, clothing, child care, transportation, personal care expenses, and taxes) and small allocations for vacations and savings. These figures have since been updated in 2001 (California Budget Project, 2001). For a single working parent with two children, ages 2 and 6 years, living in Alameda County, the basic monthly budget is estimated at \$4,506; for a two-parent family where one parent works full-time, the basic family budget is estimated at \$3,525; and for a two-parent family where both parents work full-time, this budget is estimated at \$5,133. By these measures, the average total monthly household income of the subgroup of study participants doing the best – those no longer on CalWORKs and working full-time – is off by \$1,046 per month, or 42 percent, when compared to the \$3,525 estimate for a two-parent family with one working parent. Even for the most self-sufficient group, we hypothesize that making ends meet is a struggle, not to mention what must be enormous challenges faced by respondent households in the lowest economic rungs – those still on CalWORKs and not working.

Potential Barriers

Despite a noteworthy decline in the prevalence of potential barriers, the presence of many barriers remained substantial across the three interview waves. Physical health problems and limitations and fair to poor health were reported by 18 to 45 percent of Wave 3 respondents. Mental health problems represented potential barriers among 10 to 28 percent of respondents. The prevalence of respondents *without a car and/or without a driver’s license* was nearly 50 percent at Wave 3. *Limited education* was a factor for about one-third or more of respondents at all interview waves. At all three waves about one in five respondents faced the challenge of caring for a *special needs child*.

The potential barriers that we monitored most closely were, overall, pervasive but transient. That is, individuals with a barrier tended to have it at fewer rather than at more

of the interview waves. The finding of transiency did not apply in the case of the *transportation, English language, education, three or more minor children, and two or more health problem barriers*. In each case 40 percent or more of those who experienced the potential barrier at least once experienced it at all three interview waves. While the fact that most potential barriers “come and go” could be regarded as a positive finding, it also suggests that services and supports may need to be continually available to CalWORKs individuals and their families. Undoubtedly, welfare recipients may take a number of routes to address – or not address – the health- and non-health-related problems that we have suggested may stand as barriers to work. In some cases, the motivation to work full-time – at least for the short term – may simply prove to be stronger than the potential barrier to work. While impressive human achievements are involved, especially given the relatively small economic benefit of meeting CalWORKs requirements, these work-first stories present cause for worry. How long will unresolved barriers remain under control and permit continued work? Will detrimental effects of the welfare-recipient-turned-worker affect other family members negatively?

Perhaps one of the most important findings is that not all selected barriers were found to have an impact on full-time work status or maintain their association with work across the interview waves. In multivariate analyses controlling for the presence of demographic characteristics and other potential barriers, the only factors found to be significantly associated with lack of full-time work, at both Wave 2 and Wave 3, were *longer welfare history, lack of family-based child care, not having a car or drivers’ license, and two or more functional limitations due to physical health*. These results, coupled with the finding of low utilization of CalWORKs-funded child care and transportation services, suggest not only the continued need for logistic supports for work, but that the current form in which transportation and child care supports are delivered simply does not meet the needs of many CalWORKs welfare recipients. We hypothesize that the efforts involved in finding and arranging child care, getting to and from child care (especially if no car is available), and getting to and from work do not mesh well with the everyday responsibilities faced by study participants. But the data show that these barriers will not simply go away. Frighteningly, not only did large

percentages of respondents experience *lack of family-based child care* (59 percent) or *not having a car or drivers' license* (49 percent) at Wave 3, but these barriers were also found to be among the most enduring. The picture that emerges is one of the strong importance of logistic support for work as welfare reform time limits come clearly into view and the CalWORKs welfare-to-work program matures. The findings also underscore the need to explore new ways of addressing the child care and transportation impediments to working within the CalWORKs system.

The fact that potential barriers found to be associated with work status at Wave 2 lost that association at Wave 3 is interesting. For example, Wave 3 respondents with the most barriers (seven or more) were almost twice as likely to be working full-time, compared to their Wave 2 counterparts. We surmise that the cumulative effect of welfare-to-work activities, plus the impending imposition of Federal and State time limits on welfare receipt, may be partly responsible for lack of influence of what may otherwise have proved to be serious barriers to working full-time.

Need for and Utilization of Services

Study participants' assessments of their need for services were very low for substance abuse and physical violence (5 percent or less at each wave), moderate for prenatal and mental health care (between 6.5 percent and 17.9 percent), and substantial for physical health, child care, and transportation (between 17.9 percent and 50.7 percent). In effect, the pattern of need mirrors the pattern of prevalence of these potential barriers.

Among respondents reporting a need for help, receipt of help was generally high, but change was evident across interview waves. Help for respondents with prenatal health needs was consistently high. There was a decline in the percentage of respondents receiving help for a physical health problem with which they reported needing help, dropping from 89.3 percent at Wave 1 to 69.9 percent at Wave 3. Help for those with mental health concerns increased from 58.3 percent at Wave 1 to 75.5 percent at Wave 3. The percentage of respondents receiving help with an alcohol or drug problem or with a physical violence problem fell from Wave 1 to Wave 3, but in light of the small numbers

involved it is difficult to conclude that any real program or policy change took place. Between Waves 1 and 2, noteworthy increases were evident in the percentage of respondents with child care and transportation needs getting their needs met. The percentage of respondents with child care problems who reported getting needed help increased from 64.2 percent at Wave 1 to 80.6 percent at Wave 2. For respondents with transportation problems, the prevalence of receipt of needed help jumped from 43.1 percent at Wave 1 to 66.7 percent at Wave 2. Among these seven types of needed help received, at both Wave 2 and Wave 3, only help with child care problems proved to have a significant – and positive – relationship with work. Note that these findings do not speak to CalWORKs-related services, but rather to any source of community-based help.

Looking specifically at benefits provided through the CalWORKs program, the uptake of child care and transportation payments was fairly low at all three interview waves, reaching a peak at Wave 2 of 24 percent for child care and 15 percent for transportation, and declining thereafter, to 17 percent and 8 percent, respectively. Subsequent declines in uptake of these logistic supports are undoubtedly linked to the documented declining participation in the CalWORKs program by Wave 3. Although significantly associated with full-time work, CalWORKs child care subsidies are not highly utilized. We suggest that the financial benefits available from CalWORKs-funded child care fail to address welfare recipients' concerns that child care be safe and reliable while promoting employment through accessibility of the child care. Despite their economic value to CalWORKs participants, transportation vouchers do not appear to address a severe barrier to employment. We suggest that financial support for use of public transportation fails to overcome the challenge of fitting into one's day the time-consuming transportation process of getting children to and from child care or school as well as getting oneself to and from work.

Summary

By Wave 3, more respondents had transitioned off welfare, were working 32 or more hours per week, and were experiencing higher monthly incomes on average than at previous waves. While the percentage of respondents living at 150 percent of poverty or better increased from 14.4 percent to 27.3 percent over the course of the study, and the percentage living at 51 percent to 100 percent of poverty decreased substantially, a disheartening proportion of respondents at Wave 3 were either no better off or even worse off economically than before. At Wave 3 we saw an increase in the prevalence of respondents off welfare and working part-time. At the same time, the total average monthly income for this group dropped a substantial 32 percent, from \$2,382 to \$1,619, and the percentage living at or below 50 percent poverty increased from 6.3 percent to 11.6 percent. When the cost of living in the Bay Area is considered, it is doubtful that many study respondents – even the best off – were immune to enormous challenges of making ends meet.

Another worrisome finding concerns the loss of health insurance coverage that became evident over time, as more study participants departed welfare. By Wave 3, 14.4 percent of respondents reported they had no health insurance. Coverage was least prevalent among respondents off welfare and working fewer than 32 hours weekly.

As of Wave 3, there was no substantial evidence of increased involvement of study participants or their children with Child Protective Services. However, it remains unknown how this, and other outcomes, may change as more study participants leave welfare – whether willingly or not – experience full-time employment for longer lengths of time, and continue to juggle the various responsibilities of parent and employee.

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